

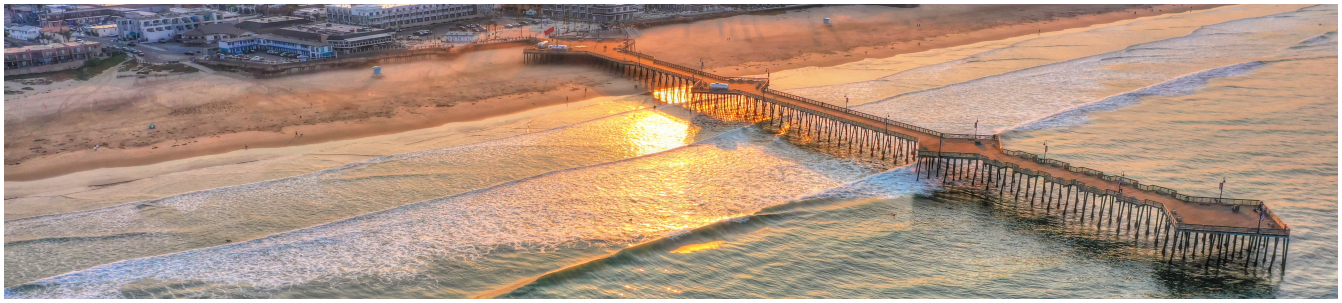
City of Pismo Beach, California

ADOPTED BUDGET

FY 2022 & FY 2023

Next Level Services

City of Pismo Beach
FY 2022 & FY 2023 Adopted Budgets



Adopted version

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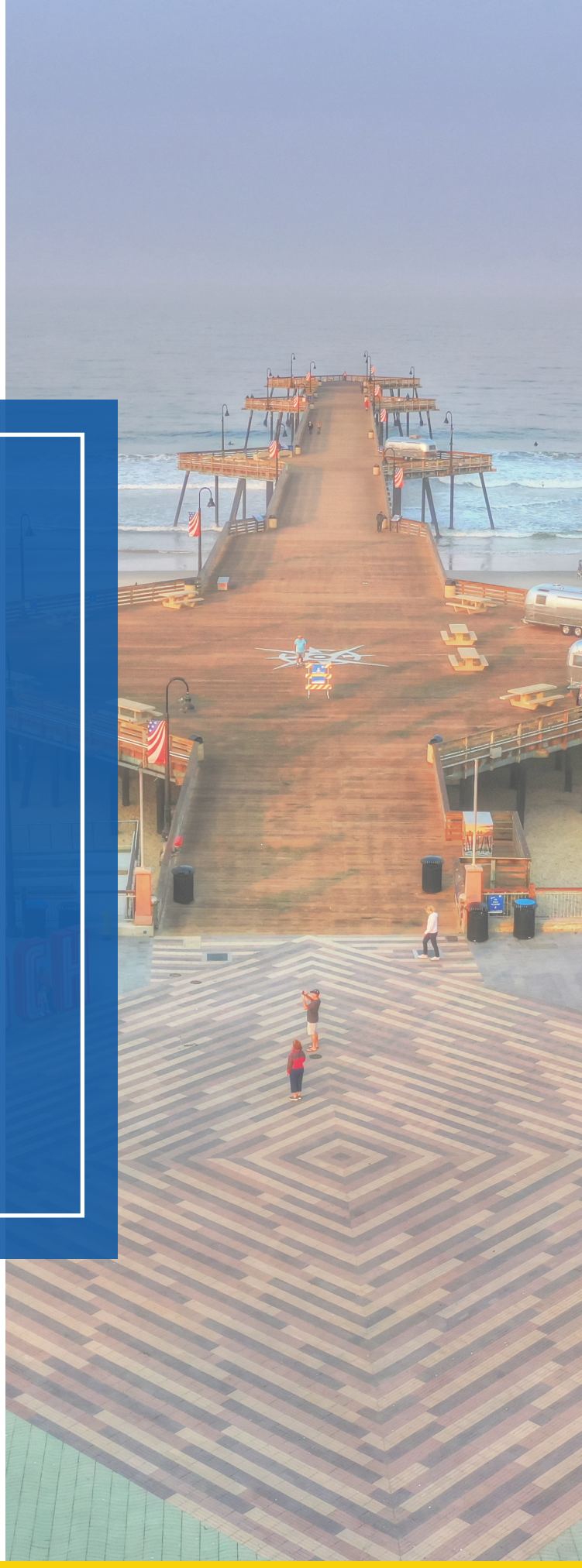
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INTRODUCTION



Pismo Beach
City Council



Ed Waage
Mayor



Mary Ann Reiss
Mayor Pro Tempore



Sheila Blake
Councilmember



Marcia Guthrie
Councilmember



Scott Newton
Councilmember



Our Vision for Pismo Beach

Provide a safe place; maintain its small beach town character; manage growth effectively; and enhance a vibrant tourist-based economy, while becoming a world-renowned tourist destination.

Adopted Budget
Contributors

EXECUTIVE MANAGEMENT TEAM

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Assistant City Manager	*Jorge Garcia*
Administrative Services Director/ City Treasurer	*Nadia K. Feeser*
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Fire Battalion Chief	*Paul Lee*
Police Chief	*Jeff Smith*
Public Works Director/City Engineer	*Benjamin A. Fine*
Tourism & Events Director	*Gordon Jackson*

BUDGET DEVELOPMENT TEAM

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Accounting Technician	*Chére Valencia*
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Accounting Clerk	*Julia Goodman*
Accounting Clerk	*Dawn Meisner*

Photo Credits

Photos courtesy of the City of Pismo Beach Tourism & Events Department



City Manager's Budget Message

June 1, 2021

Honorable Mayor, Council Members, and Pismo Beach residents:

I am pleased to submit the Fiscal Year (FY) 2022 and FY 2023 operating and capital improvement program budget for the City of Pismo Beach. This two-year budget is balanced, funds major efforts toward implementing the City's goals, includes important initiatives to upgrade the City's infrastructure, enhances services to the public, improves public safety, and continues to build the City's cash reserves. With our strong financial position, growing reserves, and the community's desire for enhanced public services, greater public safety, improvements to quality of life for residents, and sustaining the City's infrastructure and resources, this two-year budget takes the City's services to the next level, providing **Next Level Services to Our Community**.

Principal issues facing the City Council in Developing the Budget

COVID-19 Global Pandemic

During the COVID-19 global pandemic, the City was and continues to be proactive in its response while still following public health orders, including reaching out to listen and respond to the business leaders in the community, providing and facilitating outdoor public spaces to enhance social distancing, implementing a mask ordinance for City businesses to ensure public safety, providing hand sanitizer and face coverings to visitors, directing residents to County and State COVID-19 related assistance, and reducing the City's budget to ensure financial stability. As visitors came back to the City in June 2020, the Council quickly pivoted to addressing outdoor dining, related trash concerns, and continued assistance for those impacted by COVID-19 financially. The City continues to thrive as visitors enjoy the City's sandy beaches, lodging properties, restaurants, the Pismo Preserve, and other COVID-19 safe activities.

Due to the COVID-19 global pandemic, the City is experiencing challenges with hiring the best people to take its services to the next level. However, with new focus on this effort and available financial resources, staff is determined to hire only the best for our residents.

City Council's Fiscal Policies and Policy Decisions – Enable Strong Financial Status, Employee Relations, Community Partnerships

The Council's fiscal policies and policy decisions have allowed the City's financial status to exceed the healthy financial position forecasted during the last two-year budget cycle. In addition to the City's strong financial status, our employee culture is positive and collaborative, and employee relations are excellent. We also appreciate our beneficial working relationships with the private sector and our community partners. Staff continues to work closely and hold meetings with the Pismo Beach Chamber of Commerce and the South County Chamber of Commerce to address outstanding issues such as outdoor dining, homeless issues, COVID-19 related impacts, and other current topics.

Tourism and Lodging Businesses

Due to the promotional efforts by the City's Conference and Visitors Bureau and Pismo Beach Hospitality Association, as well as strategic use of our Lodging Business Improvement District funds for the Pismo Preserve and the Pier Plaza, the focus and investment of our hoteliers and business community, and a variety of external factors, tourism in our City continues to drive much of the local economy. Lodging businesses directly impact Transient Occupancy Tax revenues, where the rate of growth in these revenues is significant, reaching record levels in FY 2021 (including an increase in the tax rate from 10% to 11% of gross lodging revenues). The Adopted Budget continues to project strength in this area as several hotels are newly renovated, the newest hotels are past their lower introductory rates, and occupancy is almost in line with pre-pandemic levels.

Economic Factors

The community's economy is healthy and growing and we continue to see new development in the Downtown area and in residential communities. The local and state economies are coming out of the pandemic with renewed consumer and investor confidence. The federal economy continues to see low interest rates, improvements in unemployment rates,

and projected short-term (6 to 9 month) inflation as the global economy deals with COVID-19 impacts, including supply chain issues.

We look to these indicators as we provide NEXT LEVEL SERVICES by capitalizing on all of these factors and make strategic investments in our community that will further enhance our quality of life and make us more sustainable in the future.

Process for Creating City Goals

To guide development of this budget for the next two years, the Council engaged the community by soliciting ideas and input through our enhanced engagement initiative, *Pismo Voice*. *Pismo Voice* utilized a variety of means, including flyers in all utility bills; social media and other online notifications such as Facebook, Next Door, Notify Me; online survey/Pismo Voice platform, and feedback through the City's website. Additionally, employees were able to collaborate by department to share their thoughts on what investments should be made. Based on this input, the City Council adopted several strategic goals and priorities that are funded in this budget, including major investments in:

- Water Supply, Conservation, and Central Coast Blue (Sustainability);
- Public Safety;
- Traffic, Circulation, and Parking;
- Community Character and Quality of Life for Residents.

How FY 2022 & FY 2023 City Goals Compare to the FY 2020 & FY 2021 City Goals

The FY 2022 & FY 2023 City Goals build upon the success of the FY 2020 & FY 2021 City Goals from the last two-year budget. Similar to the last two-year budget, the Council continues to prioritize water supply, conservation, and Central Coast Blue. This long-term goal and Council's commitment to achieving a more sustainable water supply, including conservation and focusing on implementing Central Coast Blue, continues to be a top priority. This goal continues to be supported from water and wastewater service charges deposited into the Water and Wastewater Enterprise Funds, respectively.

Another continued goal is downtown parking, where the next two budget years will also address traffic, circulation, as well as parking. As the Council has explored downtown parking over the past two years, the City is expanding its reach for parking throughout the City and will address traffic and circulation issues. Parking related goals are supported by parking kiosk and meter revenues that are deposited in the Parking Enterprise Fund. Circulation and traffic goals are supported by the Half-Cent Sales Tax Fund and the General Fund. Bike and pedestrian plan is supported by the Local Transportation Fund.

The last two-year budget included a goal for Bello Street and Old City Hall. This year, the goal is Public Safety, which encompasses a better use for Old City Hall, including construction of a new Public Safety Facility, preserving the façade of the Old City Hall building, and moving the public tennis courts to Judkins Middle School for multiple uses. Thirdly, the last two-year budget included Downtown improvements and Pier Plaza. That goal is complete with the construction of a new Pier Plaza. The largest component of this goal, the Public Safety Facility, is supported by bond proceeds, to be paid over time by the General Fund. Most other costs in this goal are supported by the General Fund.

Finally, the last two-year budget included Local Coastal Plan/General Plan/Zoning as a City Goal. About two-thirds of the work for this goal is complete, with projections to complete work related to the Local Coastal Plan/General Plan/Zoning during FY 2022. Once the work is complete, working with the City Council and Coastal Commission will determine the next steps in this important process. This item continues to be supported by the General Fund and various grant funds.

New for FY 2022 & FY 2023 is the Community Character and Quality of Life for Residents City Goal. This goal includes a renewed focus on the City's residents, investing in neighborhoods, including road, sidewalk, and park improvements and providing exceptional services to the public. The majority of these priorities are supported by the General Fund, with some projects being supported with Park Development funds.

How the City Plans to Accomplish the FY 2022 & FY 2023 City Goals

The Adopted Budget funds the following projects for each of the four City Goals. These projects take into account the factors facing the City, build on our community partnerships, are supported by the City's financial position, and deliver NEXT LEVEL SERVICES to the community to improve quality of life.

The future continues to be very bright for the City of Pismo Beach, its residents, and its visitors. PROVIDING NEXT LEVEL SERVICES calls for making major investments in areas that will positively impact our community for many years to come.

Reserves for a Rainy Day

As mentioned, while we are providing NEXT LEVEL SERVICES for our community, we continue to make major investments, and the City continues to set aside some of the savings from prior years and a portion of new revenues into reserves. The above graphic illustrates the various General Fund Reserves for a rainy day. Continuing to build reserves and maintain certain accumulated fund balances is critical as the City still weighs the cost of ongoing challenges, including weathering the COVID-19 pandemic, rising pension costs, rising risk management costs, high costs of infrastructure improvements, development of a sustainable water supply, continuing the construction of major capital projects including the Public Safety Facility, Ocean Boulevard bluff protection and stabilization improvements, and investments in circulation and parking.

Financial Overview

The overall financial goals for the FY 2022 and FY 2023 budget period are to have a fiscally sound two-year budget, strengthen reserves, enhance current service levels, and address critical capital projects. The FY 2022 and FY 2023 Adopted Budgets present a structurally balanced budget, with excess operating revenues sufficient to cover Adopted Operating Budget expenditures.

The FY 2022 Adopted Budget for all funds, net of transfers between funds, includes a total of $69.9 million in revenues and $76.3 million in operating and capital budget for a net $6.3 million more expenditures than revenues. The operating budget is balanced with a $9.4 million net operating surplus. The $15.7 million of expenditures that exceed revenues are for one-time capital projects that the City will support from accumulated fund balances and a bond issuance.

The FY 2023 Adopted Budget for all fund, net of transfers between funds, includes a total of $50.9 million in revenues and $44.6 million in operating and capital budget for a net $6.3 million more revenues than expenditures. The operating budget is balanced with an $8.7 million net operating surplus. The $2.4 million of expenditures that exceed revenues are for one-time capital projects that the City will support from accumulated fund balances.

The Adopted Budget includes work plan budget expenditures for improving services, supporting capital improvements, building reserves, and supporting the community.

- The amount of recommended work plan budget items that are ongoing in nature and include enhancing service levels and addressing Council priorities, net of revenues and transfers, are $1,003,929 in FY 2022 and $2,004,945 in FY 2023
- The amount of recommended work plan budget items that are one-time investments and include capital improvement projects that address critical infrastructure needs and other Council goals, net of revenues and transfers, total $36,396,418 in FY 2022 and $2,466,000 in FY 2023
- The General Fund Reserve is maintained at 25% of General Fund budgeted operating expenditures. As such, the adopted budgets include an additional $534 thousand in FY 2022 and an additional $422 thousand in FY 2023 from the General Fund unassigned fund balance to contribute to the General Fund Reserve
- The City's Fiscal Policy to maintain a contingency reserve of 1% of budgeted General Fund operating expenditures to support unanticipated items that may occur during the budget years is fully funded. Due to several large capital projects that could experience cost overruns and future projects from the Information Technology Strategic Plan scheduled to be complete during FY 2022, the contingency budget in the proposed budget is increased to approximately 4% per year at $1.00 million in FY 2022 and FY 2023
- The Risk Management Reserve for unanticipated risk management costs is fully funded and maintained at $250 thousand
- The adopted budgets maintain the $500 thousand City Facility Reserve
- The adopted budgets include setting aside $2.0 million in FY 2022 and FY 2023 of the General Fund unassigned fund balance for a Budget Stabilization set-aside. This set-aside allows the City to manage a potential economic downturn by drawing down from the set-aside.
- The proposed budget also includes setting aside $1.0 million in FY 2022 and FY 2023 of the General Fund unassigned fund balance for a prepayment to CalPERS to reduce the City's unfunded pension liability. This set-aside allows the City to manage and reduce the City's costly unfunded accrued liability by reducing the 7.0% interest costs.

This budget document is a comprehensive financial document that accounts for historical transactions and events, and compares the previous year's budgeted expenditures and the Adopted Budgets for FY 2022 and FY 2023. The FY 2021 revised budget, as presented in the ensuing departmental pages, reflects budget amendments approved through August

17, 2021, as well as open encumbrances rolled over from the preceding fiscal year.

All relevant financial information is outlined in the Budget Overview section. This overview summary includes several charts, graphs, and commentary on the budget and items included within it. Following the Budget Overview, there are details of the budget organized by function and department.

Acknowledgements

I would like to thank the management, mid-management, and supervisory staff from all City departments who provided invaluable input into the preparation of the FY 2022 and FY 2023 budget in a spirit of interdepartmental cooperation. In each instance, staff worked with the best interest of the entire community and the City's fiscal integrity in mind. I thank the staff of the Administrative Services Department who provided exceptional assistance to all departments in providing training, calculations, advice, and reminders of critical deadlines throughout the budget preparation process. I offer thanks to the City Council for their leadership, guidance and direction. Finally, I would also like to thank all other individuals who contributed in making this budget a reality. This document is a team effort.

Closing

We are taking our services to the NEXT LEVEL by making several key investments today that will make our future even brighter. We are financially stable, we are making prudent investments into the community, and we are enhancing the quality of life for our residents and visitors. These are great days for the City of Pismo Beach and I am excited about our future. Additionally, I am encouraged by the people coming together to work hard to take our community to the NEXT LEVEL. All of the pieces are in place to make Pismo Beach even more exceptional than it already is and I am privileged to work with outstanding staff, volunteers, business owners, non-profit leaders, and elected officials.

Respectfully,



James R. Lewis
City Manager

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CITY & COMMUNITY INFORMATION



History of Pismo Beach

The history of people at Pismo Beach starts at least 9,000 years ago with the Chumash people, Native Americans who referred to the area as a place to find *pismu*, or tar. The Pismo Beach region has an interesting history going back in time to 1769, when Don Gaspar de Portola and parties camped in the area. According to the diary of Costanso, a member of the Portola party, "The party continued over the sand dunes and then descended to the beach, along which they walked for several miles before camping for the night. Near their camping place was an Indian village of some forty people." Undoubtedly, the beach walked upon by the Portola party was that known today as Pismo Beach. We invite you to take a look at some of our rich history.

The First Pismo Beach

The City is part of the original 8,838-acre Rancho Pismo. Rancho Pismo was granted to Jose Ortega by Manuel Rinemo Goriod on November 18, 1840. Ortega is thought to have built a small adobe that later became part of the Price Adobe. The rancho was later acquired by Isaac Sparks. Some folktales relate that Sparks won the land from Ortega in a game of monte, but it appears from records kept by John M. Price that the ranch was purchased for 477 head of cattle. Sparks, in 1850, appears to have given John Price El Pizmo Rancho instead of paying him wages in gold, as the deed shows a cost of $1 for the property. Upon Sparks' death, John Michael Price and Captain David Mallagh received a share of the land. Price lived and worked on the rancho until his death in 1902. Price built up sizeable horse and cattle herds, which he moved onto the rancho. Mallagh owned a section of Rancho Pismo around the cave landing area (now Pirate's Cove), where he established a wharf business. Price purchased some of the property in 1854. A portion of the southern part, which is now Grover Beach and Arroyo Grande, was sold to Francisco Branch. This left him with Shell Beach, the Pismo Beach area, and a large section running back into Price Canyon. In 1875, Price took the first step toward funding the community of Pismo Beach when he built a hotel on the road from Arroyo Grande to the People's Wharf in Avila Beach. The hotel was not a success and Price had the hotel moved to the beach in 1884. In 1881, Price leased oceanfront land to the Meherin brothers to build a wharf and a warehouse. This wharf at the end of Main Street was successful and the hotel's new location was next to this operation. The school district was founded in 1888, and the Post Office was also established then.


Klam Digger Billie - 1904 Bennett-Loomis Archives

Parceling Pismo Beach

In February 1886, Price hired R. R. Harris to survey and design a map of the subdivisions of part of the Ranchos El Pismo and San Miguelito, and to also map out and draw a plan for a town to be called "El Pizmo." This was initiated in April 1886. A year later, the Pismo Beach Company again subdivided part of the community and recorded a map of the "Town El Pizmo." It is interesting to note that the Pismo Beach Company is given credit by some for the founding of the present City of Pismo Beach.



Pismo's Pier



Back in 1881, Pismo's original wharf opened for business. Taking off from a point below the present Main Street, remnants of the pilings may still be seen at very low tides. It was not planned for recreation as such—it was a commercial venture designed in part to save freight fees for South County products. Lumber was received, as well as other commodities. Stock was issued to farmers and landowners for $20 a share and the wharf was built for $14,613. The Meherin brothers, Arroyo Grande merchants, started the venture. Most credit is given to D. J. Meherin for its inception, construction and maintenance. In 1882, a year after its completion, Meherin figured the wharf had saved the people of the county $35,000 in decreased freight rates compared with those of the steamer line they would have patronized. Thirty-eight vessels were loaded at the wharf in 1882. Two warehouses were built near the entrance where teams could move cargo in and out. A small hand car track led out to the end of the Pier. The wharf was still active in 1890, but a few years later it gave way during a heavy storm. Probably contributing to the disaster was a load of heavy "bituminous rock" that had been dug in Edna and was waiting in sacks for shipment to San Francisco to be used as paving material. The new Pier that replaced the original was built in 1924 and was much longer than it is today. Some can remember driving cars along its length, then backing out, or using the tight turn around at the end. It is said that it extended out far enough that Navy ships could tie up and the men could come ashore. The Pier had sustained damage several times, but a major storm tore up the south side of the seawall and about 500 feet off the end of the Pier early in its existence. It was never put back. After a 1983 storm washed out most of the wharf, it was rebuilt in its present configuration in 1985-86. The state, county and city all have an interest in the Pier. The Pier at Pismo Beach continues to be one of the community's major attractions.

Tourism



John Price realized the potential Pismo had for tourism when he built the Pismo Beach Hotel. The Pismo Beach Hotel was sold to A. E. Pomeroy and Charles Stimson in 1887. They enlarged the hotel and renamed it the El Pizmo Inn. The hotel was sold and resold many times. In early times, the area was thought of as a place to spend several months, relaxing and enjoying the surroundings. Early advertisements for the El Pizmo Inn encouraged visitors to come and enjoy the "fine duck hunting and the pleasant surroundings." The 1900s were wild times in Pismo Beach. Pismo was noted for having many saloons, along with several notorious brothels. Other amusement-type businesses at the time, besides the hotels, offered a variety of entertainment, including a skating rink, a bowling alley, and a dance hall. The property directly south of Shell Beach now known as Dinosaur Caves was the site of an amusement park, with a giant cement dinosaur to gather attention. H. Douglas Brown started building the dinosaur in 1948 and was stopped by local opposition. The headless dinosaur remained a local landmark until it was torn down in the late 1950s. Pismo Beach was also known to be a place to find booze during the Prohibition Era. The second El Pizmo Inn was built about the turn of the century and became so popular that a "Tent City" was erected for the overflow of tourists. They were clean, well-organized 18' x 14' tents resting on wooden planks, which could be rented for $8 a week. Eventually, the Tent City was expanded to where the pool hall Hot Shots now stands. "Tent City" lasted into the late 1920s. The Southern Pacific Railroad also helped tourism in Pismo Beach. It brought people from the San Francisco Bay area to Pismo Beach in one of the first "timeshare" operations. The people paid $30 for a ride down to Pismo Beach and then stayed in the Tent City. If the tourists liked the tents, the railroad would use their fare as a down payment on a tent for the people. If the people didn't like the tent, their money was refunded and they returned to San Francisco free of charge. It was rumored that more people stayed than asked for refunds. In 1912, Highway 2, today's Highway 101, was routed through Pismo Beach, giving automobile travelers an easy route to the beach. Highway 101 was not expanded to four lanes until the late 1950s.

Shell Beach and Sunset Palisades

Shell Beach was quite different years ago, when it was nothing but pea fields. The area was the site of a Chumash village. Floyd Calvert bought and developed much of the land in 1926. He paid $45,000 for 41 acres between the ocean and the highways. When Calvert first visited Shell Beach, there were approximately 50 residents in the area. Calvert sold lots in the area for as little as $195. A resident of Hollywood, Calvert was told about the area by a friend in 1925. When he first visited Shell Beach, there was only one street, Boeker Avenue, with a few cottages on it. Calvert was struck by the beauty of Shell Beach and bought a portion of it. In January 1926, he opened offices in the area, hired seven salesmen and began selling land to people seeking summer retreats from the hot valley. When the summer selling season was over that first year, Calvert had to close his offices. The depression, which was to hit hard in 1929, was beginning to be felt. Then Calvert had to devise a new way to sell his land. He offered it for $5 a month. Even then it was hard to sell. During the Depression, Calvert, who had been a builder in Hollywood, lost all his property except for Shell Beach. He had such faith in this area he thought if he could hold onto this land, someday people would realize its worth. It took Calvert 20 years to sell the first 456 lots on the Shell Beach land he owned. But shortly before and after World War II, Calvert began to have more success selling lots. During World War II, many soldiers had trained in California. They liked the climate and wanted to live in the area. It was then that Shell Beach changed from a resort area for residents of the San Joaquin Valley to a residential community. When Calvert began to break ground for building houses, he found skeletons of Chumash who were buried in the area. He also found copper bracelets, arrowheads, spearheads, and stone bowls, which had been used for grinding meal. Most of the Indian artifacts were found near the ocean between Placentia and Palomar Avenues. Major archaeological sites have been noted in this area and that of Sunset Palisades. It was known as Oilport and was opened in August of 1907, quite different from today's residential Sunset Palisades area. Built with investor funds, it operated for only one month. The plant, built by California Petroleum Refineries Ltd., was to be the most modern on the West Coast. Nearly 2.25 million bricks went into the construction of the facilities. Financed primarily by investors, it cost over $2 million to build. It was to be the most complete refinery on the coast. It was set up to produce kerosene, gasoline, lubricating oil, and oil byproducts. The refinery existed until just after World War II, when it was finally torn down. The land was sold, subdivided and replaced with housing.

Incorporation

1926 saw the first incorporation attempt in Pismo Beach. Though it failed, attempts to incorporate the city were finally successful in 1939, when Pismo Beach became a sixth-class city by a majority of seven votes. In 1940, worries over increased taxes led the citizens to vote to disincorporate the city. The majority was eight votes in the election. The present city government dates from April 25, 1946. Pismo Beach is celebrating its 75th anniversary in 2021.

Pismo Beach Today

Pismo Beach is a thriving beach city in southern San Luis Obispo County, in the Central Coast area of California. It is the last true classic California beach town. Pismo Beach offers seaside activities and a variety of accommodations for the young and the young-at-heart in a safe, relaxing environment, away from the crowds and the hustle of the big city. The city has numerous lodging options, including luxurious five-star hotels, deluxe vacation rentals, or cozy campsites on the beach. The beach is located next to downtown and has a boardwalk and a newly renovated 1,200-foot pier. The city also has multiple locally-owned restaurants, a Wednesday farmer's market for fresh fare, and renowned wineries. The city has a plentitude of shopping options throughout the city and a Pismo Beach Premium Outlets center. Residents and visitors alike enjoy the plethora of activities available year-round with the mild temperatures, including biking, hiking, surfing, kayaking, fishing, swimming, golfing, shopping, and wine tasting.

For more information, please visit us at:

PismoBeach.org
ExperiencePismoBeach.org

Pismo Beach At a Glance

The City of Pismo Beach was incorporated in 1946 and is a full-service, general-law city operating under the Council-Manager form of government. This year, 2021, the City celebrates its 75th Anniversary! The City is located on the Central Coast along six miles of the Pacific Ocean in San Luis Obispo County, midway between Los Angeles and San Francisco. The City is visited annually by a substantial number of tourists seeking to enjoy the area's moderate climate, ocean views and sunsets, fine restaurants, and the relaxing atmosphere unique to coastal communities. The City's downtown core area and hotel areas are anchored by the City-owned Pier extending into the Pacific Ocean. The City is home to about 8,108 individuals, as estimated by the California Department of Finance for January 1, 2021. Most of the City is residential with a continuing trend of new homes being built with spectacular ocean views.

At a Glance

Incorporation
1946

Government
Full-service, general-law city

County
San Luis Obispo County http://www.slocounty.ca.gov/ (http://www.slocounty.ca.gov/)

School Districts
San Luis Coastal Unified School District www.slcusd.org (http://www.slcusd.org)

Lucia Mar Unified School District www.luciamarschools.org (http://www.luciamarschools.org)

Location
Located on the Central Coast along six miles of the Pacific Ocean in San Luis Obispo County, midway between Los Angeles and San Francisco

Climate
Moderate

Population
8,108

State legislature
17th Senate District
Democrat John Laird

35th Assembly District
Republican Jordan Cunningham

U.S. Congress
Representative:
California's 24th Congressional District
Democrat Salud Carbajal

Pismo Beach Celebrates its 75th Anniversary!



2021 marks the City of Pismo Beach's 75th Anniversary of serving its residents, businesses, and the greater community. Officially established on April 25, 1946, after beginning its existence as a gold-rush era beach community, Pismo Beach was founded on the same principles that we continue to value today—commitment to excellence and integrity. Established in the late 1800s by J. M. Price, a former San Luis Obispo County Supervisor, Pismo Beach's namesake is the word *pismu*, meaning tar, that was used by the Chumash people who originally inhabited the area. Pismo Beach soon became known as the "Clam Capital of the World" and came to exemplify the notion of a Classic California beach town.

Today, Pismo Beach retains its classic charm and is still known for its iconic Pier, surfing competitions, clam chowder, annual community events, and miles of scenic shoreline. During our 75 years as a city, Pismo Beach and the surrounding community have continually grown to become internationally known as a destination with something to offer every visitor. Nestled between the blue waters of the Pacific and the rolling hills of Wine Country, Pismo Beach has continued to be an innovative and inclusive community that is parallel to none. We are proud to serve this well-respected community and look forward to celebrating 75 Years in this beautiful city that we call home.

Pismo Beach is a small but mighty city that prides itself on its world-class amenities, economic strength, regional partnerships, "Classic California" character, and five-times-accredited Police Department, all of which contribute to the quality of life for its residents, businesses, and visitors. The City of Pismo Beach remains committed to providing a vibrant, safe community for its residents to live and recreate in. While current COVID-19 protocols require modified festivities, there will be opportunities throughout the year to show our appreciation, from the Fourth of July to our Clam Festival, and other smaller ways. On October 15, 2021, the City plans to host a 75th Anniversary Gala on the Pier Plaza to commemorate the occasion and several banners are on lamp posts and over City streets around Downtown.

Who Lives in Pismo Beach?

Population

The City's population declined by 83 people, or 1%, from 8,191 on January 1, 2020 to 8,108 on January 1, 2021, according to the California Department of Finance. This slight decline in population is consistent with the 2.0% population decline for San Luis Obispo County and the 0.5% population decline for all California cities for the same time period. During the summer season, the population can grow to 15,000 to 70,000 depending on the week. Of this population, here are some key demographics as provided by the U.S. Census Bureau from 2015-2019.

Age and Gender

The largest age group is between 18 years and 65 years

Under 5 years	3.1%	6.0%
Under 18 years	9.6%	22.5%
18 years to under 65 years	53.5%	56.7%
65 years and over	33.8%	14.8%
Male	47.2%	49.7%
Female	52.8%	50.3%

Race

Persons	Percent of Persons in Pismo Beach	Percent of Persons in California
White	88.2%	71.9%
Black	2.8%	6.5%
American Indian or Alaskan Native	0.3%	1.6%
Asian	1.7%	15.5%
Native Hawaiian or Other Pacific Islander	0.0%	0.5%
Two or more races	2.5%	4.0%
Other	4.5%	0.0%
Total	**100%**	**100%**
Hispanic or Latino	12.2%	39.4%

Income

Persons	Amount in Pismo Beach	Amount in California
Median Household Income	$84,484	$75,235
Per capita income in past 12 months	$60,912	$36,955
Persons in poverty, %	8.3%	11.8%

Education

Persons	Percent of Persons in Pismo Beach	Percent of Persons in California
High School Graduate or Higher over age 25+ years	97.0%	83.3%
Bachelor's Degree or Higher over age 25+ years	46.1%	33.9%

Health

Persons	Amount in Pismo Beach	Amount in California
With a disability under age 65 years	7.0%	6.7%
Without health insurance under age 65 years	8.9%	8.9%

Computer and Internet Use

Households	Amount in Pismo Beach	Amount in California
Households with a Computer	94.3%	93.0%
Households with a broadband internet subscription	91.6%	86.7%

Municipal Government

The City operates under a council-manager form of government. Policymaking and legislative authority are vested in the City Council consisting of the elected Mayor and four other elected Council members. The Mayor is elected to two-year terms, and the Council is elected to four-year staggered terms, with two members elected every two years. The Council's primary responsibilities are adopting City laws and policies, adopting the City budget, appointing Advisory Body Members, and hiring the City Manager and City Attorney.

The City Manager is responsible for carrying out the policies and ordinances of the City Council, for overseeing the daily operations of the City, and for appointing other employees and otherwise managing daily operations of the City. The City Manager is assisted by an administrative team, which includes the City Attorney (who is a contract Attorney) and department heads for Administrative Services, Management Services, Public Works, Tourism and Events, Community Development, Police, and Fire.

The City provides a full range of municipal services including fire and police protection, construction and maintenance of city streets, storm drains, bridges and similar infrastructure-type assets; park maintenance; community recreation activities and public facilities. In terms of business-type activities, the City provides water, wastewater, parking, pier, and transit services through the operation of its enterprises. The City's public facilities corporation and public financing authority are blended component units and are reported in this report as part of the City's operations.

Contact us:

www.pismobeach.org (http://www.pismobeach.org)

City Hall is located at:
760 Mattie Road
Pismo Beach, CA 93449
Main Phone Number is:
805-773-4657

Comparison of Financial Status to Other Jurisdictions

Comparison of Financial Status to Other Jurisdictions

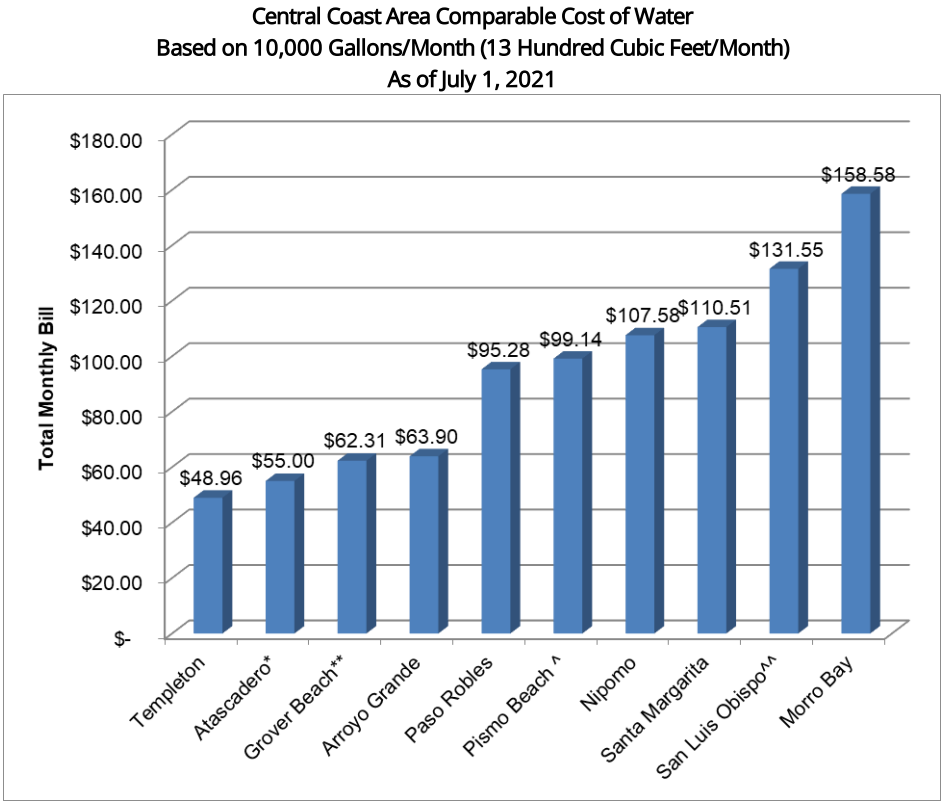
City	Number of Full-Time Employees	Population	Total Operating Budget (All Funds)	Total Portion of Operating Budget Related to Personnel Services	% of Budget Related To Personnel Services	Total Capital Projects
Arroyo Grande	78.70	17,555	$36,845,345	$11,779,259	32.0%	$7,199,346
Atascadero	137.00	29,623	$33,201,850	$21,681,710	65.3%	$29,047,020
Grover Beach	79.83	13,128	$27,051,033	$10,085,471	37.3%	$9,662,343
Morro Bay	97.69	10,121	$34,068,828	$16,481,515	48.4%	$97,246,044
Paso Robles	233.00	31,073	$71,253,900	$35,569,200	49.9%	$26,491,900
Pismo Beach*	**92.00**	**8,108**	**$42,008,617**	**$19,443,912**	**46.3%**	**$35,785,281**
San Luis Obispo	488.00	46,058	$118,446,000	$66,205,000	55.9%	$54,578,000
Santa Maria	558.00	107,445	$216,939,146	$91,891,930	42.4%	$42,958,779

The information in this table is provided by each jurisdiction listed for FY 2022. Population data is from the California Department of Finance.

*Pismo Beach Total Portion of Operating Budget Related to Personnel Services includes Cal Fire contract in personnel costs. Number of FTEs does not include FTEs from Cal Fire.

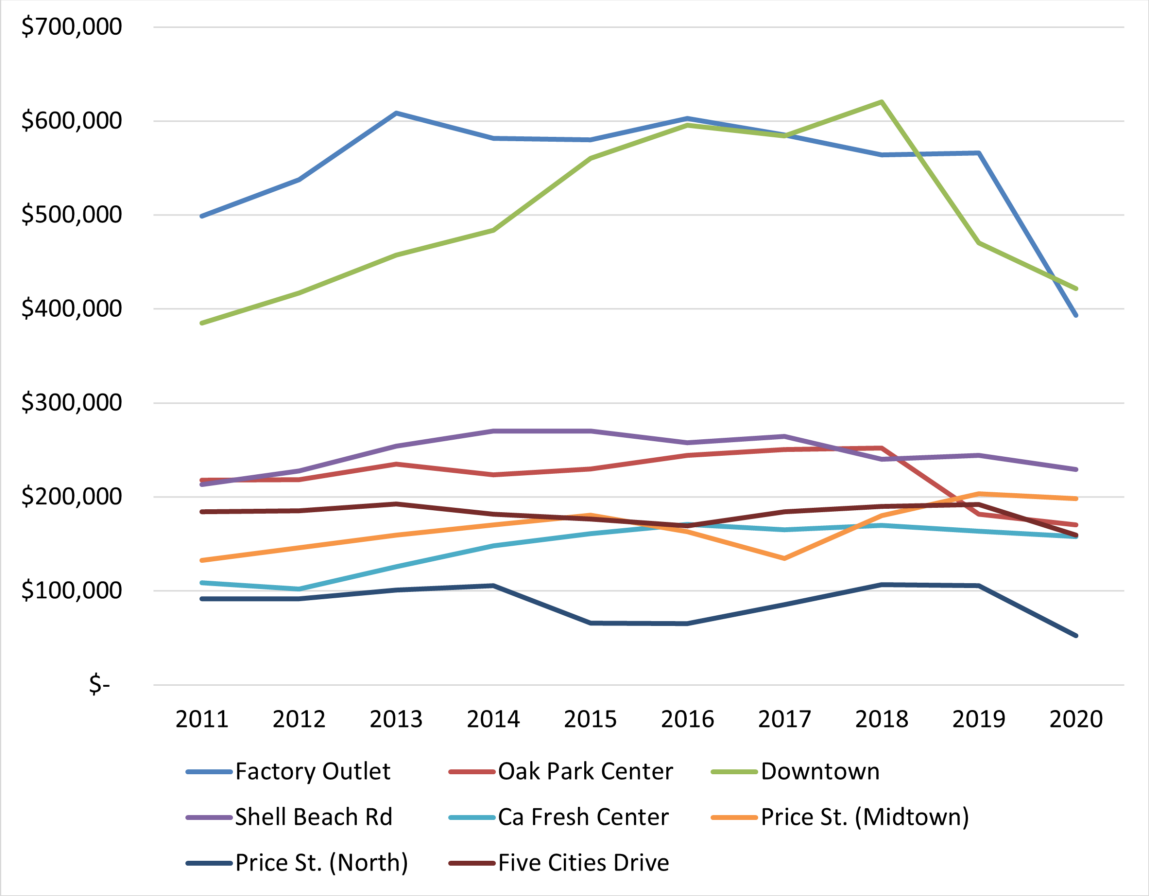
Central Coast Area Comparable Cost of Water and Wastewater Bi-Monthly Bill

The following chart compares the cost of water for single-family residential properties in central coast communities around Pismo Beach. Pismo Beach average water and wastewater bills are in the middle of the range compared to the selected cities and communities. This data was collected by the Atascadero Mutual Water Company as of July 1, 2021, which assumed single-family residential average water usage of 10,000 gallons/bi-month, or 13 hundred cubic feet (HCF) of water consumption every month. For Pismo beach, the average water consumption is actually 7 HCF per month, so the average bill is lower than listed below. However, the table still provides a good comparison of various communities' water bills relative to Pismo Beach.



*Atascadero – includes Nacimiento Water & PFAS surcharge
** Grover Beach – Includes a 1% utility tax applied to the water portion of the bill
^ Pismo Beach – Includes the special tax on property tax bill of approximately $17.36/HCF
^^San Luis Obispo – Includes a 5% utility users tax applied to the water portion of the bill

Sales Tax by Geographic Areas of the City



City of Pismo Beach
Principal Property Tax Payers - Top Ten Payers
(Dollar Amounts in Thousands)

2020				2019			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Pismo Beach Mobile Home Park	$ 38,221	1	1.07%	Katelynn Nicole Sawyer	$ 34,822	1	1.04%
WM Pismo Beach Holdings LLC	37,917	2	1.06%	Prime Outlets of Pismo Beach	31,236	2	0.93%
Core Pismo, LLC	36,293	3	1.02%	Core Pismo, LLC	25,627	3	0.77%
Prime Outlets at Pismo Beach	31,882	4	0.89%	Spalding G. Wathen, Inc.	21,013	4	0.63%
SCM Pismo Beach Hotel LLC	25,264	5	0.71%	Castleback Pismo Beach	17,589	5	0.53%
Pismo Beach Hotel Investments LL	22,995	6	0.64%	Cliffs Resort, LLC	16,095	6	0.48%
Spalding G Wathen Inc	21,433	7	0.60%	Pismo Coast Plaza, LLC	16,084	7	0.48%
Castleback Pismo Beach Owner LLC	17,923	8	0.50%	Pismo Shore Cliff, Inc.	15,691	8	0.47%
Cliffs Resort LLC	16,919	9	0.47%	Heron Crest Development	15,601	9	0.47%
Pismo Coast Plaza LLC	16,405	10	0.46%	Henry F. Myers Trust	14,230	10	0.43%
Total	$ 265,252		7.43%	Total	$ 207,988		6.21%

2018				2017			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Pismo Beach Mobile Home Park	$ 33,168	1	1.05%	Pismo Beach Mobile Home Park	$ 30,394	1	1.02%
Prime Outlets of Pismo Beach	30,624	2	0.97%	Prime Outlets of Pismo Beach	30,032	2	1.01%
Core Pismo, LLC	25,142	3	0.79%	Core Pismo, LLC	24,667	3	0.83%
Spalding G. Wathen, Inc.	20,601	4	0.65%	Spalding G. Wathen, Inc.	20,197	4	0.68%
Castleback Pismo Beach	17,262	5	0.54%	Castleback Pismo Beach	16,941	5	0.57%
Cliffs Resort, LLC	16,321	6	0.51%	Heron Crest Development	16,278	6	0.55%
Heron Crest Development	15,950	7	0.50%	Cliffs Resort, LLC	16,031	7	0.54%
Pismo Coast Plaza, LLC	15,769	8	0.50%	Pismo Coast Plaza, LLC	15,459	8	0.52%
Pismo Shore Cliff, Inc.	15,393	9	0.49%	Pismo Shore Cliff, Inc.	15,101	9	0.51%
Henry F. Myers Trust	13,951	10	0.44%	Henry F. Myers Trust	13,678	10	0.46%
Total	$ 204,181		6.44%	Total	$ 198,778		6.67%

2016				2015			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Martin Resorts, Inc.	$ 34,772	1	1.26%	Martin Resorts, Inc.	$ 34,109	1	1.31%
Prime Outlets of Pismo Beach	29,576	2	1.07%	Prime Outlets of Pismo Beach	29,050	2	1.12%
Pismo Beach Mobilehome Park	27,500	3	0.99%	Pismo Beach Mobilehome Park	25,854	3	0.99%
Core Pismo, LLC	24,238	4	0.88%	Core Pismo, LLC	23,723	4	0.91%
Spalding G. Wathen, Inc.	19,893	5	0.72%	Spalding G. Wathen, Inc.	20,329	5	0.78%
Castleblack Pismo Beach	17,300	6	0.62%	Heron Crest Development	15,719	6	0.60%
Heron Crest Development	16,033	7	0.58%	Cliffs Resort, LLC	15,011	7	0.58%
Cliffs Resort, LLC	15,291	8	0.55%	Pismo Coast Plaza, LLC	14,929	8	0.57%
Pismo Coast Plaza, LLC	15,227	9	0.55%	Henry F. Myers Trust	13,197	9	0.51%
Henry F. Myers Trust	13,679	10	0.49%	Castleblack Pismo Beach	11,819	10	0.45%
Total	$ 213,509		7.71%	Total	$ 203,740		7.83%

City of Pismo Beach
Principal Employers (Ten Largest)

Fiscal Year Ended June 30, 2020				Fiscal Year Ended June 30, 2019			
Employer	Number Employees	Rank	Percentage of Total City Employment	Employer	Number Employees	Rank	Percentage of Total City Employment
The Cliff's of Shell Beach	230	1	5.48%	The Cliff's of Shell Beach	220	1	5.12%
Keller-Williams	179	2	4.26%	Dolphin Bay Resort	161	2	3.74%
Dolphin Bay Resort	124	3	2.95%	Keller-Williams	147	3	3.42%
City of Pismo Beach	120	4	2.86%	City of Pismo Beach	125	4	2.91%
Martin Resorts	100	5	2.38%	Martin Resorts	97	5	2.26%
U.S. Postal Service	85	6	2.02%	U.S. Postal Service	81	6	1.88%
Sea Venture	74	7	1.76%	Sea Venture	80	7	1.86%
Pismo Coast Village	65	8	1.55%	Brad's Restaurant	75	8	1.74%
Seacrest	65	9	1.55%	Seacrest	68	9	1.58%
Brad's Restaurant	60	10	1.43%	Pismo Coast Village	65	10	1.51%
Total	1,102		26.24%	Total	1,119		26.02%

Fiscal Year Ended June 30, 2018				Fiscal Year Ended June 30, 2017			
Employer	Number Employees	Rank	Percentage of Total City Employment	Employer	Number Employees	Rank	Percentage of Total City Employment
The Cliff's of Shell Beach	227	1	5.54%	The Cliff's of Shell Beach	220	1	5.50%
Dolphin Bay Resort	190	2	4.63%	Dolphin Bay Resort	169	2	4.23%
City of Pismo Beach	135	3	3.29%	City of Pismo Beach	129	3	3.23%
Keller-Williams	135	4	3.29%	Martin Resorts	125	4	3.13%
Martin Resorts	125	5	3.05%	Keller-Williams	106	5	2.65%
Sea Venture	85	6	2.07%	Sea Venture	81	6	2.03%
U.S. Postal Service	69	7	1.68%	Brad's Restaurant	67	7	1.68%
Seacrest	67	8	1.63%	Seacrest	63	8	1.58%
Brad's Restaurant	63	9	1.54%	Pismo Coast Village	62	9	1.55%
Pismo Coast Village	60	10	1.46%	U.S. Postal Service	61	10	1.53%
Total	1,156		28.20%	Total	1,083		27.08%

Fiscal Year Ended June 30, 2016				Fiscal Year Ended June 30, 2015			
Employer	Number Employees	Rank	Percentage of Total City Employment	Employer	Number Employees	Rank	Percentage of Total City Employment
The Cliff's of Shell Beach	235	1	5.88%	Martin Resorts	260	1	6.50%
Dolphin Bay Resort	178	2	4.45%	The Cliff's of Shell Beach	243	2	6.08%
Martin Resorts	135	3	3.38%	Dolphin Bay Resort	191	3	4.78%
Keller-Williams	110	4	2.75%	Keller-Williams	106	4	2.65%
City of Pismo Beach	89	5	2.23%	City of Pismo Beach	89	5	2.23%
Sea Venture	85	6	2.13%	Sea Venture	85	6	2.13%
U.S. Postal Service	82	7	2.05%	Brad's Restaurant	79	7	1.98%
Brad's Restaurant	70	8	1.75%	U.S. Postal Service	75	8	1.88%
McClintock's	65	9	1.63%	McClintock's	71	9	1.78%
Pismo Coast Village	65	10	1.63%	Steamer's	62	10	1.55%
Total	1,114		27.85%	Total	1,261		31.53%

City of Pismo Beach
Principal Transient Occupancy Tax Payers - Top Ten
Last Ten Fiscal Years
(In Alphabetical Order)

Fiscal Year Ended June 30			
2020	2019	2018	2017
Cliffs of Shell Beach	Cliffs of Shell Beach	Cliffs of Shell Beach	Cliffs of Shell Beach
Cottage Inn	Cottage Inn	Cottage Inn	Cottage Inn
Dolphin Bay Hotel	Dolphin Bay Hotel	Dolphin Bay Hotel	Dolphin Bay Hotel
Inn at the Pier	Inn at the Pier	Island Hospitality	Island Hospitality
Island Hospitality	Island Hospitality	Kon Tiki Motel	Kon Tiki Motel
Pismo Coast Village	Oxford Suites	Oxford Suites	Oxford Suites
Pismo Lighthouse Suites	Pismo Coast Village	Pismo Coast Village	Pismo Coast Village
Pismo Shore Cliff	Pismo Lighthouse Suites	Pismo Lighthouse Suites	Pismo Lighthouse Suites
Sandcastle Inn	Pismo Shore Cliff	Seacrest Motel	Seacrest Motel
Seacrest Oceanfront Hotel	Seacrest Oceanfront Hotel	Shorecliff Inn	Shorecliff Inn

Fiscal Year Ended June 30			
2016	2015	2014	2013
Cliffs of Shell Beach	Cliffs of Shell Beach	Cliffs of Shell Beach	Cliffs of Shell Beach
Cottage Inn	Dolphin Bay Hotel	Cottage Inn	Cottage Inn
Dolphin Bay Hotel	Island Hospitality	Dolphin Bay Hotel	Dolphin Bay Hotel
Island Hospitality	Kon Tiki Motel	Hilton Garden Inn	Hilton Garden Inn
Kon Tiki Motel	Oxford Suites	Kon Tiki Motel	Kon Tiki Motel
Pismo Coast Village	Pismo Coast Village	Pismo Coast Village	Pismo Coast Village
Pismo Lighthouse Suites	Pismo Lighthouse Suites	Pismo Lighthouse Suites	Pismo Lighthouse Suites
Sandcastle Inn	Sandcastle Inn	Sandcastle Inn	Sandcastle Inn
Seacrest Motel	Seacrest Motel	Seacrest Motel	Seacrest Motel
Shorecliff Inn	Shorecliff Inn	Shorecliff Inn	Shorecliff Inn

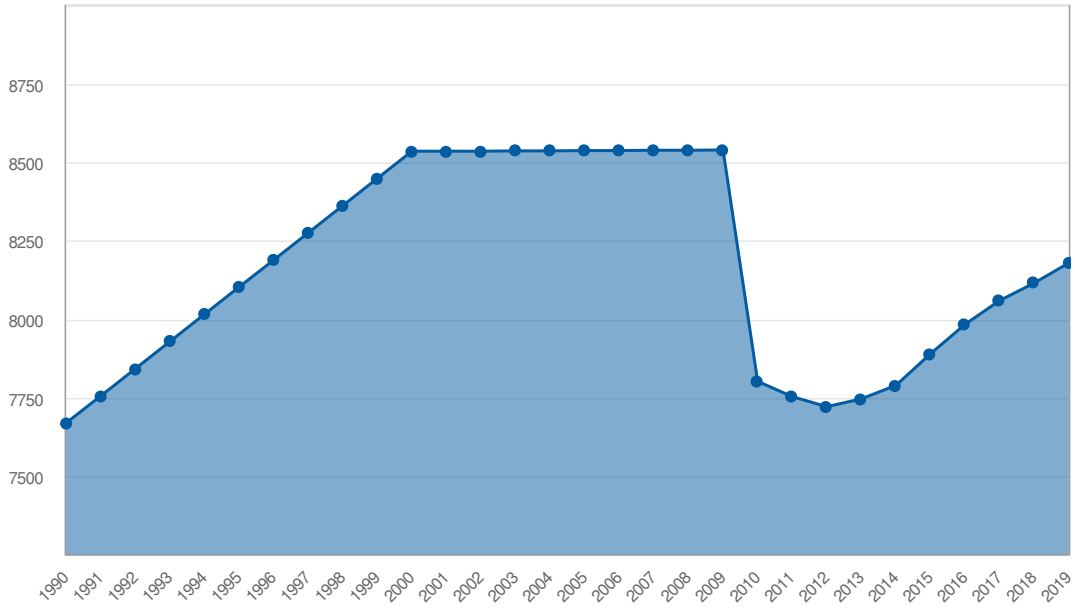
Fiscal Year Ended June 30	
2012	2011
Cliffs of Shell Beach	Cliffs of Shell Beach
Cottage Inn	Cottage Inn
Dolphin Bay Hotel	Dolphin Bay Hotel
Hilton Garden Inn	Kon Tiki Motel
Kon Tiki Motel	Oxford Suites Resort
Pismo Coast Village	Pismo Coast Village
Pismo Lighthouse Suites	Pismo Lighthouse Suites
Sandcastle Inn	Sandcastle Inn
Seacrest Motel	Seacrest Motel
Shorecliff Inn	Shorecliff Inn

Source: Principal Transient Occupancy Tax Payers provided by City of Pismo Beach records

Population Overview

TOTAL POPULATION 8,180 → **+.8% vs. 2018**

Growth Rank
133 OUT OF 482
Municipalities in California



** Data Source: American Community Survey, 2010 Census, 2000 US Census and 1990 US Census*

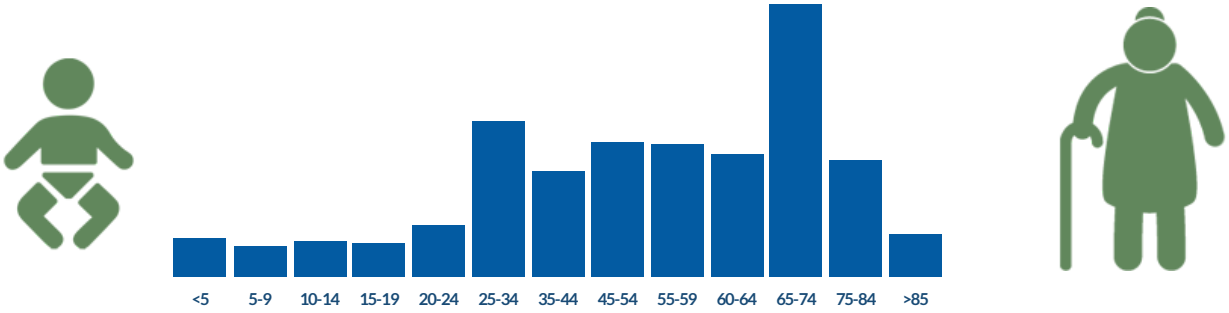


DAYTIME POPULATION
9,331

Daytime population represents the effect of persons coming into or leaving a community for work, entertainment, shopping, etc. during the typical workday. An increased daytime population puts greater demand on host community services which directly impacts operational costs.

** Data Source: American Community Survey, 2010 Census, 2000 US Census and 1990 US Census*

POPULATION BY AGE GROUP



Aging affects the needs and lifestyle choices of residents. Municipalities must adjust and plan services accordingly.

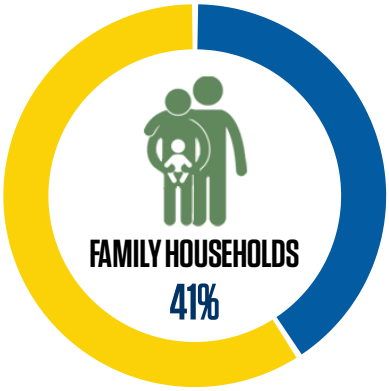
** Data Source: American Community Survey, 2010 Census, 2000 US Census and 1990 US Census*

Household Analysis

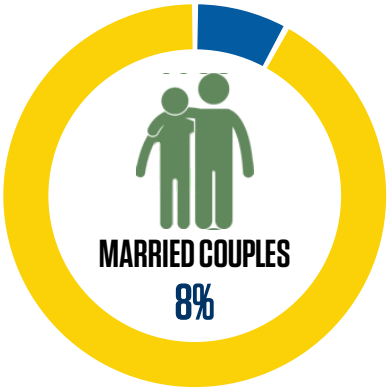
TOTAL HOUSEHOLDS

4,213

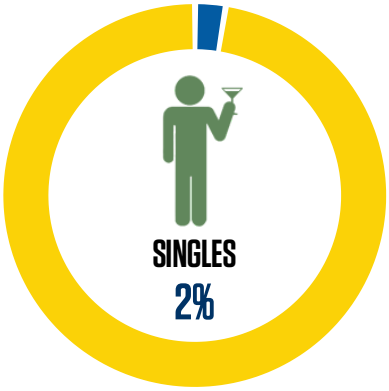
Municipalities must consider the dynamics of household types to plan for and provide services effectively. Household type also has a general correlation to income levels which affect the municipal tax base.



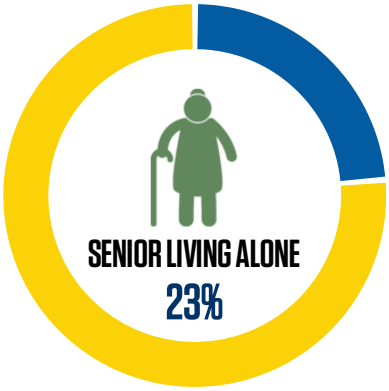
▼18% LOWER THAN STATE AVERAGE



▲12% HIGHER THAN STATE AVERAGE



▼56% LOWER THAN STATE AVERAGE



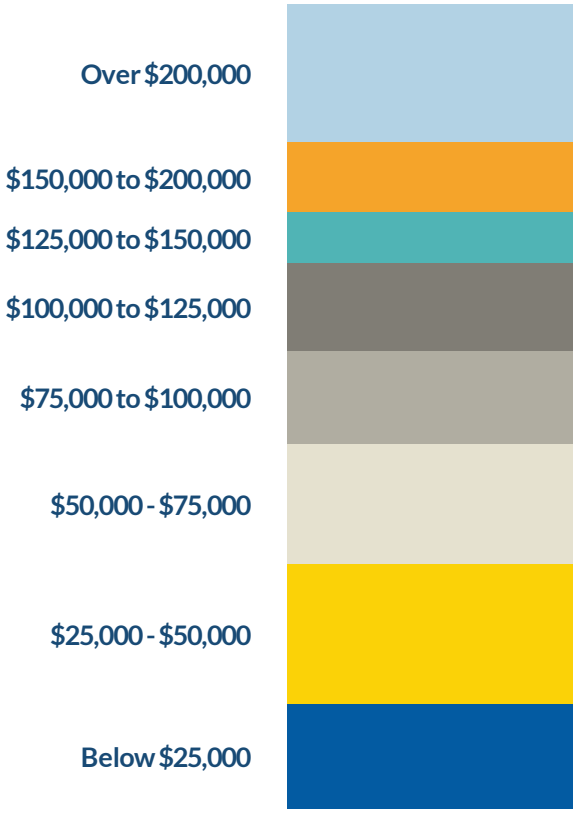
▲77% HIGHER THAN STATE AVERAGE

** Data Source: American Community Survey, 2010 Census, 2000 US Census and 1990 US Census*

Economic Analysis

Household income is a key data point in evaluating a community's wealth and spending power. Pay levels and earnings typically vary by geographic regions and should be looked at in context of the overall cost of living.

HOUSEHOLD INCOME



ABOVE $200,000

17%

▲39% HIGHER THAN STATE AVERAGE

MEDIAN INCOME

$84,484

▲12% HIGHER THAN STATE AVERAGE

BELOW $25,000

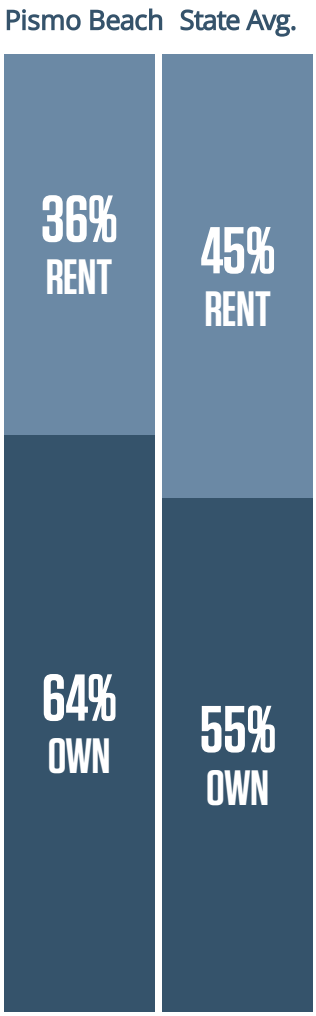
13%

▼19% LOWER THAN STATE AVERAGE

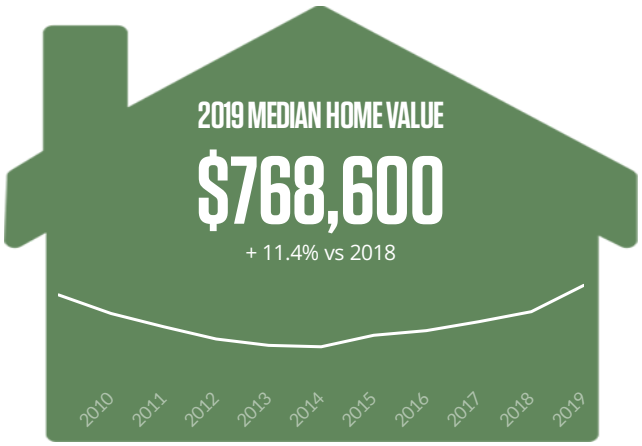
** Data Source: American Community Survey, 2010 Census, 2000 US Census and 1990 US Census*

Housing Overview

HOME OWNERS VS RENTERS

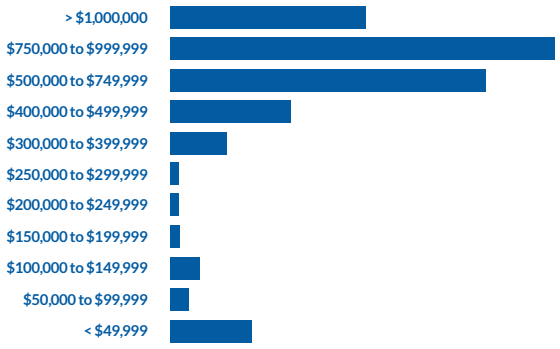


** Data Source: 2019 US Census Bureau (http://www.census.gov/data/developers/data-sets.html), American Community Survey. Home value data includes all types of owner-occupied housing.*



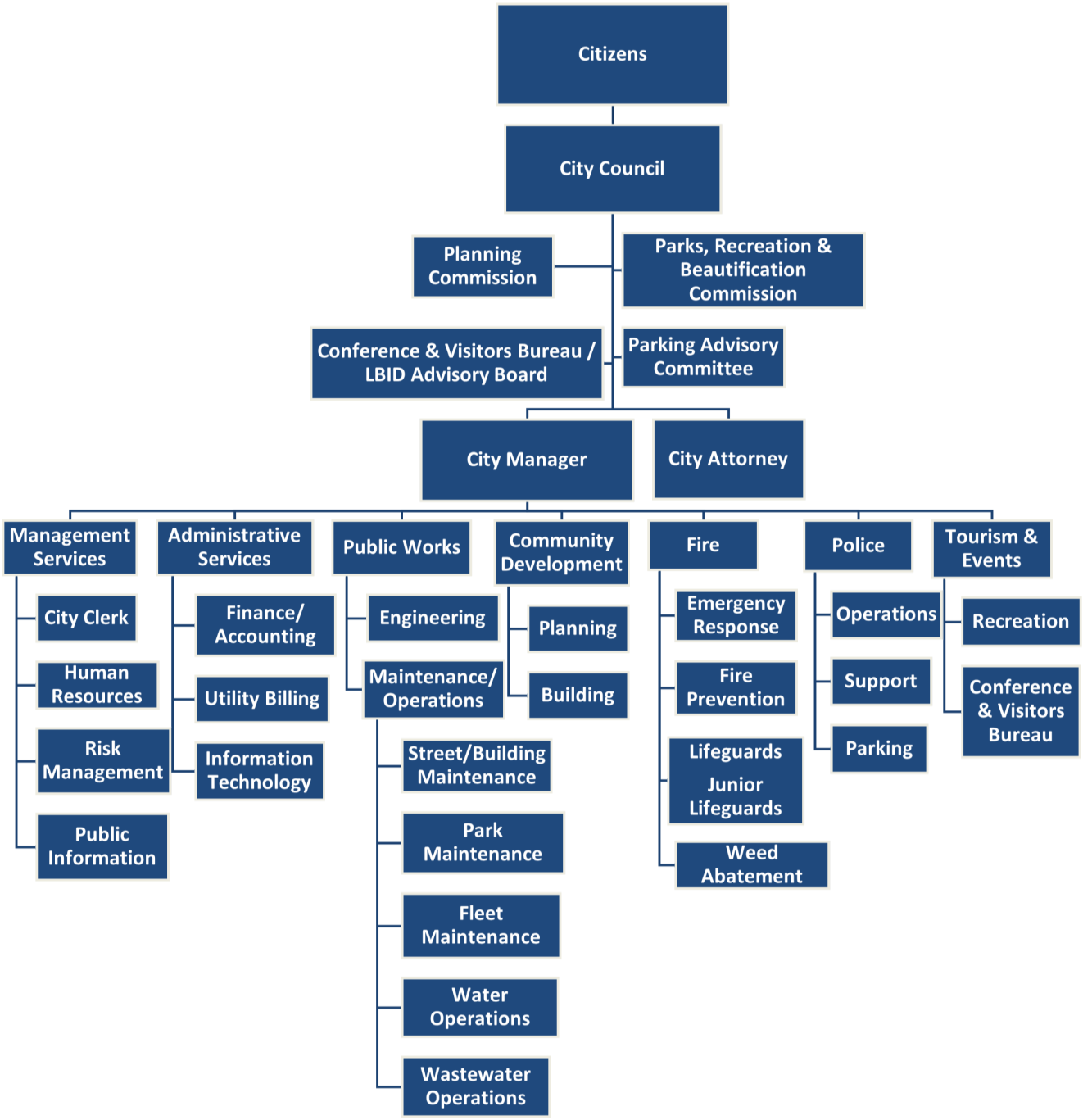
** Data Source: 2019 US Census Bureau (http://www.census.gov/data/developers/data-sets.html), American Community Survey. Home value data includes all types of owner-occupied housing.*

HOME VALUE DISTRIBUTION



** Data Source: 2019 US Census Bureau (http://www.census.gov/data/developers/data-sets.html), American Community Survey. Home value data includes all types of owner-occupied housing.*

Organization Chart



Fund Structure

The funds listed in this document and included in this section in the following pages are subject to appropriation. Descriptions of the various funds are provided in the Fund Summary section.

Fund Types Definitions

Governmental Fund Types: The City's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Governmental fund types include the General Fund, Special Revenue Funds, Capital Project Funds, and Debt Services Funds.

General Fund

The City's General Fund is the operating fund for general revenues and expenditures that are not assigned to a special purpose fund. Some of the General Fund expenditures are allocated to specific multi-year capital projects or purchase order contracts. The net of revenues less expenditures (excluding the portion for multi-year costs) is the year's operating surplus or deficit. This surplus or deficit contributes to the fund's ending unallocated fund balance, which can be used to support various one-time costs.

Special Revenue Funds

Special Revenue Funds are funds established by the City to collect certain revenues that must be used for special purposes. These funds provide an extra level of accountability and transparency to taxpayers that their tax dollars will go toward an intended purpose. The ending fund balances are not available for purposes other than those specified for that fund.

Capital Projects Funds

Capital Project Funds are established to account for the acquisition or construction of major capital facilities and other general capital outlays. The Capital Projects Fund (3001) includes all capital projects except for water and wastewater enterprise projects supported by various funding sources, including: General Fund, grants, federal and state highway funding, enterprise funds, and development fees. The other Capital Project Funds (3002-3201) include specific revenues to fund specific capital projects. The ending fund balances in this fund type are for specific capital projects and typically are not available for purposes other than those specified for that fund.

Debt Service Funds

Debt Service Funds are established to service principal and interest payments on short- and long-term debt. Sources of revenue for this fund type include loan proceeds and interest earnings. The ending fund balances are not available for other purposes except for debt service.

> *Corporate Entities*: As part of the Debt Service Funds, the City of Pismo Beach has a Public Financing Authority (Authority), Public Financing Agency (PFA2), and the Public Facilities Corporation (Corporation). These are legally separate corporate entities for which the City is financially accountable and they are governed by the elected City Council, acting as the Board of Directors in each case. The Authority and Corporation were formed to provide a method of financial public improvements. The City has identified the Authority in Fund 4001, Public Financing Authority Debt Service Fund with appropriations. The Corporation's budget is reflected in Fund 6401, the Pier Enterprise Fund.

Proprietary Fund Types: The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions reported as business-type activities. Internal service funds accumulate and allocate costs internally among the City's various functions.

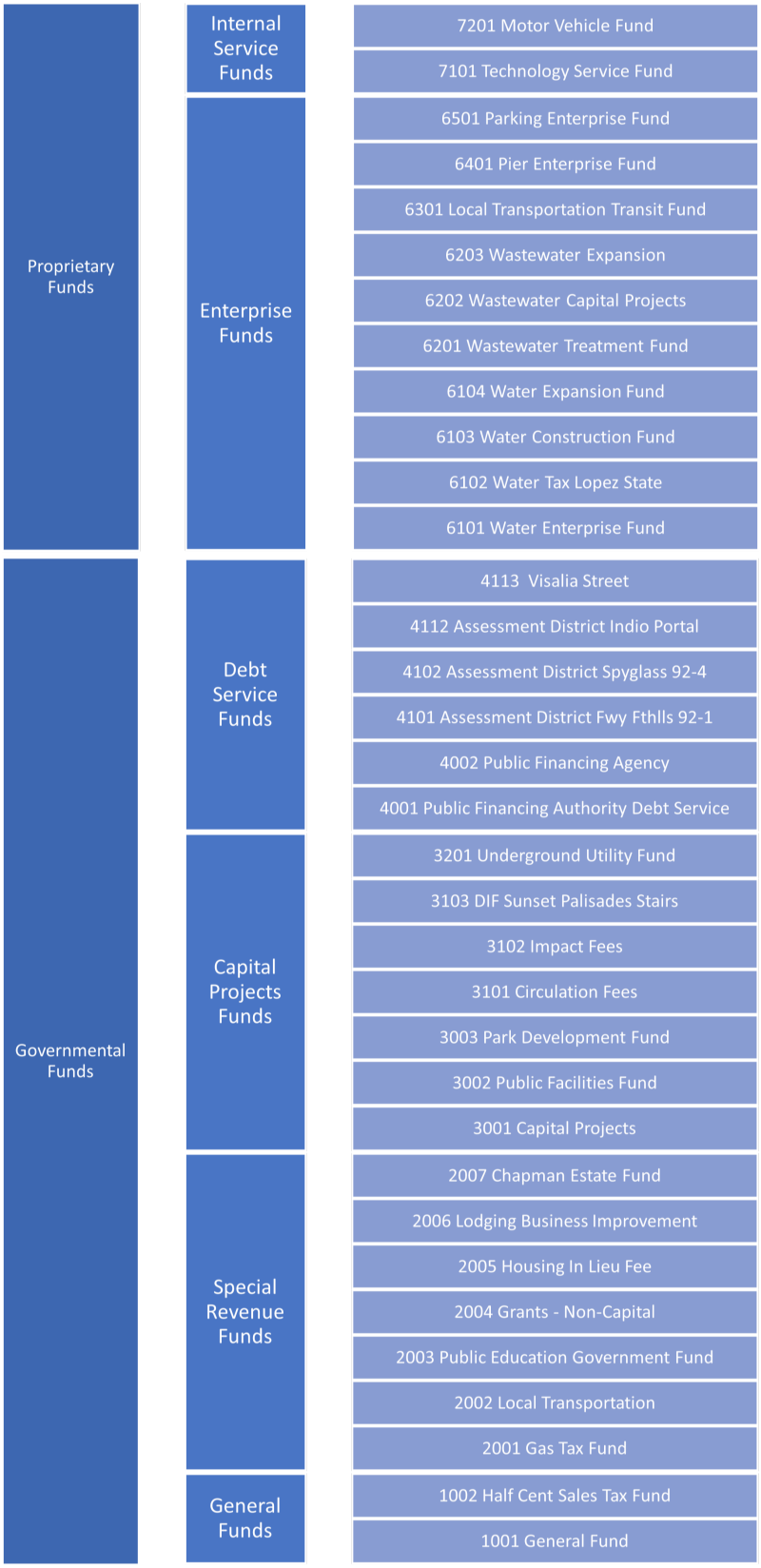
Enterprise Funds

Enterprise funds are used to account for operations similar to private business enterprises. Revenues are collected and used for a specific purpose and are self-sufficient. The ending fund balances are not available for purposes other than those specified for that fund.

Internal Service Funds

Internal service funds are used to account for the financing of goods and services supplied by one City department to other City departments. The Motor Vehicle Fund (7201) collects funds from various City Departments to fund the replacement costs of various vehicles. Once a vehicle needs to be replaced, the balance is used to purchase that vehicle. The ending fund balances are not available for other purposes except for those specified for that fund. The Technology Service Fund (7101) collects funds from various City departments to fund various ongoing and one-time technology services and projects.

Fund Type and Fund Relationship



Fund and Department Relationship Matrix

Fund	10 General Government	11 City Council	12 City Manager	13 Legal	14 Management Services	15 Administrative Services	16 Tourism & Events	21 Police	22 Fire	30 Public Works	40 Community Development	50 Debt Service
1001 General Fund	x	x	x	x	x	x	x	x	x	x	x	x
1002 Half Cent Sales Tax Fund	x									x	x	
2001 Gas Tax Fund	x									x		
2002 Local Transportation	x									x		
2003 Public Education Government Fund	x		x		x					x		
2004 Grants - Non-Capital	x							x				
2005 Housing In Lieu Fee	x										x	
2006 Lodging Business Improvement	x					x	x					
2007 Chapman Estate Fund	x					x	x			x	x	
3001 Capital Projects								x		x	x	x
3002 Public Facilities Fund	x									x		
3003 Park Development Fund	x									x		
3101 Circulation Fees	x									x	x	
3102 Impact Fees	x					x			x	x		
3103 DIF Sunset Palisades Stairs	x											
3201 Underground Utility Fund	x									x		
4001 Public Financing Authority Debt Service	x											x
4002 Public Financing Agency												x
4101 Assessment District Fwy Fthlls 92-1	x											x
4102 Assessment District Spyglass 92-4	x											
4112 Assessment District Indio Portal	x											x
4113 Visalia Street	x									x		
6101 Water Enterprise Fund	x					x				x		
6102 Water Tax Lopez State	x									x		
6103 Water Construction Fund	x									x		
6104 Water Expansion Fund	x											
6201 Wastewater Treatment Fund	x					x				x		x
6202 Wastewater Capital Projects	x									x		x
6203 Wastewater Expansion	x									x		
6301 Local Transportation Transit Fund	x											
6401 Pier Enterprise Fund	x									x		x
6501 Parking Enterprise Fund	x							x		x	x	
7101 Technology Service Fund	x					x						
7201 Motor Vehicle Fund	x									x		

Financial Policies

In preparing this budget, staff took its primary direction from the guidelines established in the City of Pismo Beach Fiscal Policies that were adopted in Resolutions R-1998-49, R-2007-038, R-2013-034, R-2017-021, and Ordinance O-2015-003, and are included on this Fiscal Policies section in the following pages. These policies and the other fiscal policies provided in this document were reviewed in detail and reaffirmed by the City Council on April 14, 2021. These fiscal policies help to ensure that the City achieves a balanced budget, where operating revenues meet or exceed operating expenditures.

The only change to the fiscal policies is that the contingency reserve of 1% of budgeted General Fund expenditures to be used for emergencies and other unanticipated expenditures at the direction of City Council is increased to 4% in FY 2022 and FY 2023 to support unanticipated expenditures associated with several large capital projects that could experience cost overruns and future projects from the Information Technology Strategic Plan scheduled to be completed during FY 2022.

Fiscal Policies **(Resolutions R-1998-49, R-2007-038, R-2013-034, R-2017-021, and Ordinance O-2015-003)**

A Fiscal Policy is an adopted guideline that establishes goals for the allocation of public resources in the manner best suited to the efficient provision of services to residents and visitors within the City. While not all of the goals may be achievable in the current year, the existence of such goals will serve to guide the City Council in its decision-making.

The City of Pismo Beach has forged its fiscal policy out of the experiences of the early 1990s, when expenditures grew considerably beyond the City's revenue capability. This resulted in extensive lay-offs and service reductions throughout the municipal government. It is recognized that maintaining adequate cash reserves and providing ongoing maintenance of infrastructure and buildings are vital to sound fiscal management. The philosophy of this fiscal policy incorporates these goals.

Today, this Adopted Budget complies with these financial policies.

RESERVE POLICIES

- Establish and maintain a General Fund Reserve of 25% of budgeted expenditures in the General Fund. *Municipal Code Section 3.14.010 through 3.14.040*
- Establish and maintain a City Facility Reserve of $500,000 for improvements to City buildings and facilities, particularly if funds are not available in a given fiscal year. *Municipal Code Section 3.14.05 through 3.14.080*
- Establish and maintain a Risk Management Reserve to be used for unanticipated risk management costs, funded with $50 thousand per year, up to $250,000. *Municipal Code Section 3.14.090 through 3.14.120*
- Maintain a contingency reserve of 1% of budgeted General Fund expenditures to be used for emergencies and other unanticipated expenditures at the direction of City Council, provided that up to $50,000 of this reserve may be used at the direction of the City Manager. This $50,000 level is consistent with the City Manager's authority to approve expenditures up to $50,000 in the City's Purchasing Policy.
- Establish realistic levels of contribution to the Motor Vehicle Replacement Fund.

REVENUE POLICIES

- Maintain safety and liquidity while maximizing investment revenue. Refer to the City's Investment Policy for a comprehensive management of the City's financial resources.
- Annually consider reduction of long-term debt as a use of revenues.
- Establish the level of cost recovery desired from various fees for services.
- Review fees annually, establish actual costs and adjust and establish new fees as needed.

EXPENDITURE POLICIES

Infrastructure

- Contribute from the General Fund annually for the improvement of infrastructure.

New Services

- Add new services only when a need has been identified and when adequate resources for staffing and funding are demonstrably available in multi-year financial plans.

Public Safety

- Provide funding to maintain adequate levels of safety for residents of and visitors to Pismo Beach.

Water and Wastewater Funds

- Maintain adequate reserve funds for the construction and replacement of major capital facilities of the Water and Wastewater Funds by setting rates at levels sufficient to provide the necessary funding.

Facilities

- Plan for new facilities only if operating and maintenance costs for those facilities are fully recognized and taken into account in multi-year financial plans.
- Provide adequate routine maintenance each year to avoid the higher cost of deferred maintenance.

Operational Efficiencies

- Provide City services in the most cost-effective manner.
- Provide staffing levels that allow employees to respond promptly to service requests from the public.
- Utilize consultants and temporary help for special projects or peak workload periods.
- Utilize community expertise on a voluntary basis as appropriate.
- Ensure that fee-supported services are staffed appropriately to render the services for which customers have paid.
- Work through regional agencies to share costs for local programs whenever possible.

Employee Development

- Attract and retain competent employees for the City workforce by compensating employees fairly, providing adequate training opportunities, ensuring safe working conditions, and maintaining a professional work environment.

Economic Development

- Achieve organized, sustainable community development for the residents of Pismo Beach by providing a diverse economic base while preserving scenic beauty, small town charm, and historical assets.

Capital/Fixed Assets

- Capital Assets as defined by GASB include land, improvements to land, easements, building, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period. This definition and the City's Capital Assets Policy and Procedures are included in the City's Purchasing Policy.

DEBT MANAGEMENT POLICY

Debt Management Policy sets parameters for issuing debt and managing the City's debt portfolio, and provides guidance to decision makers.

Budget Process



Community Outreach

The two-year budget process began in September 2020 with a formal public outreach effort to engage the community and solicit ideas and input through our enhanced engagement initiative, *Pismo Voice*. *Pismo Voice* utilized a variety of means, including flyers in all utility bills; social media and other online notifications such as Facebook, Next Door, Notify Me; online survey/Pismo Voice platform, and feedback through the City's website. Additionally, employees were able to collaborate by department to share their thoughts on what investments should be made.

To guide development of this budget for the next two years, the Council engaged the community by soliciting ideas and input through our enhanced engagement initiative, *Pismo Voice*. *Pismo Voice* utilized a variety of means, including flyers in all utility bills; social media and other online notifications such as Facebook, Next Door, Notify Me; online survey/Pismo Voice platform, and feedback through the City's website. Additionally, employees were able to collaborate by department to share their thoughts on what investments should be made. Based on this input, the City Council adopted several strategic goals and priorities that are funded in this budget, including major investments in:

Council Sets Goals

Following the community outreach efforts, this information was summarized into themes for the Council at its February 2021 City Council goal-setting and strategic planning session, where the public was invited to submit comments and virtually attend. In February 2021, the Council set the City's goals based on the fiscal outlook and public input. These goals and direction set a broad framework for the budget that has been developed. This year, the City Council set four City Goals. These City Goals are long-term goals that may be accomplished over several years. Key steps in moving forward with these City Goals are either already budgeted or are included in this two-year budget.

Budget Development

In January, the City Manager issued budget instructions to all departments based on the revenue projections and anticipated City Goals. The Administrative Services Director sent out budget guideline instructions and forms on how to create a baseline budget. A baseline budget includes funding for the same level of staffing, supplies, materials and services previously budgeted as base, increased only to account for known price increases and known salary and benefit costs. The base budget also allows for replacement, in-kind, of capital equipment.

Once the City's goals were set, department staff began to prepare their work plan budget requests (above baseline budget requests) to take steps to implement the City's goals and develop work plan budget requests for other priorities and initiatives. Any requests over the prior year's baseline budget must include justification for the increase.

By the end of February, departments submitted the baseline budget and work plan budget requests to the Administrative Services Department.

In March, Department Heads met with the City Manager and Administrative Services Director to review the baseline budget and all budget requests. The City Manager prioritized the work plan budget request items and capital projects and determined their funding level for inclusion in the adopted budget.

In March and April, the Administrative Services Department prepared and updated revenue projections for the budget years and reviewed these projections with the City Manager. Most revenues are not subject to direct City control. Sales tax and TOT are subject to economic cycles of businesses within the community, and are also affected by weather. Property tax revenue varies with real estate sales and building activity within the community, as do charges for services in the Public Works and Community Development Departments.

In April, the Administrative Services Department prepared the personnel salary and benefit budget estimates as determined by current bargaining units and Council-adopted resolutions which identify the current staffing levels approved for all City departments. The personnel budgets were reviewed with each Department Head to make sure the number of positions were budgeted accordingly and accounted for correctly. Also in April, the City Council held a public budget workshop to review work plan items to implement Council goals and departments' budget year work plans. At this meeting, the Council reaffirmed the City's fiscal policies and provided initial comments to City staff.

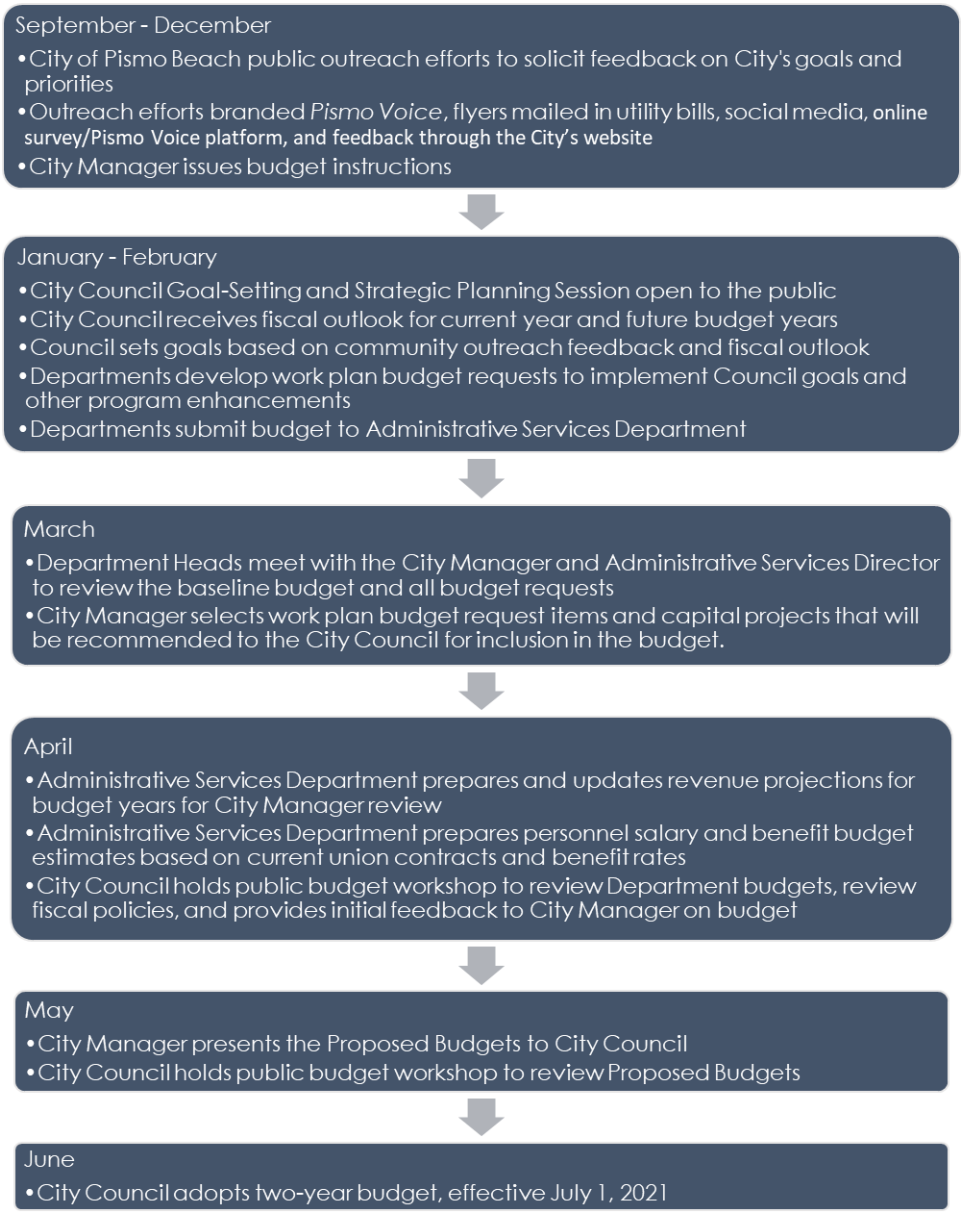
Proposed Budget

During May, the Administrative Services Department prepared a summary budget document which was reviewed by all Department Heads and the City Manager, and then submitted to the City Council. In mid-May, the Council held a public budget workshop to review the proposed budget status and review and consider approval of the above base items.

Adopted Budget

Council adopted the budget prior on June 1, for implementation to begin on July 1, the first day of the new fiscal year.

Budget Timeline



Budget Format

The City Council of Pismo Beach is presented with its eleventh two-year budget. The primary reason the City adopts a two-year budget is that it forces the City to look beyond the current year and attempt to alleviate any shortfalls that may be present in the future. In addition, a two-year budget allows the City to account for uncertainties in the statewide economic forecast. The two-year budget also saves time and energy for staff, as well as money. The two-year budget, as it stands, is in reality two distinct “one-year” budgets: one for July 1, 2021 through June 30, 2022 and one for July 1, 2022 through June 30, 2023. Periodically, a mid-year or mid-cycle budget review will be held to determine if any significant changes in circumstances have occurred that would warrant deviation from the budget for the next year. During the mid-cycle budget review, of particular interest will be any deviations in budget projections such as changes in the economy, new state or federal mandates, a possible change in key revenue sources, or possible increases in base expenses.

As in prior years, narrative descriptions of each budget activity are presented along with highlights of the past two fiscal years' (FY 2020 and FY 2021) work program accomplishments and highlights of work programs included within the base budgets for the coming two years. For each budget activity, line item information is presented in summary form by object-of-expense category, followed by work program details for the current year and for each of the next two years combined which is all preceded by a description of the activity. Council-adopted additions above the base budget are included in the expenditure line items.

Workload information for each department is provided to the City Council in monthly activity reports throughout the year. Reference to the most recent activity reports is recommended should there be workload questions.

Budgeted Funds vs. Audited Financial Statements

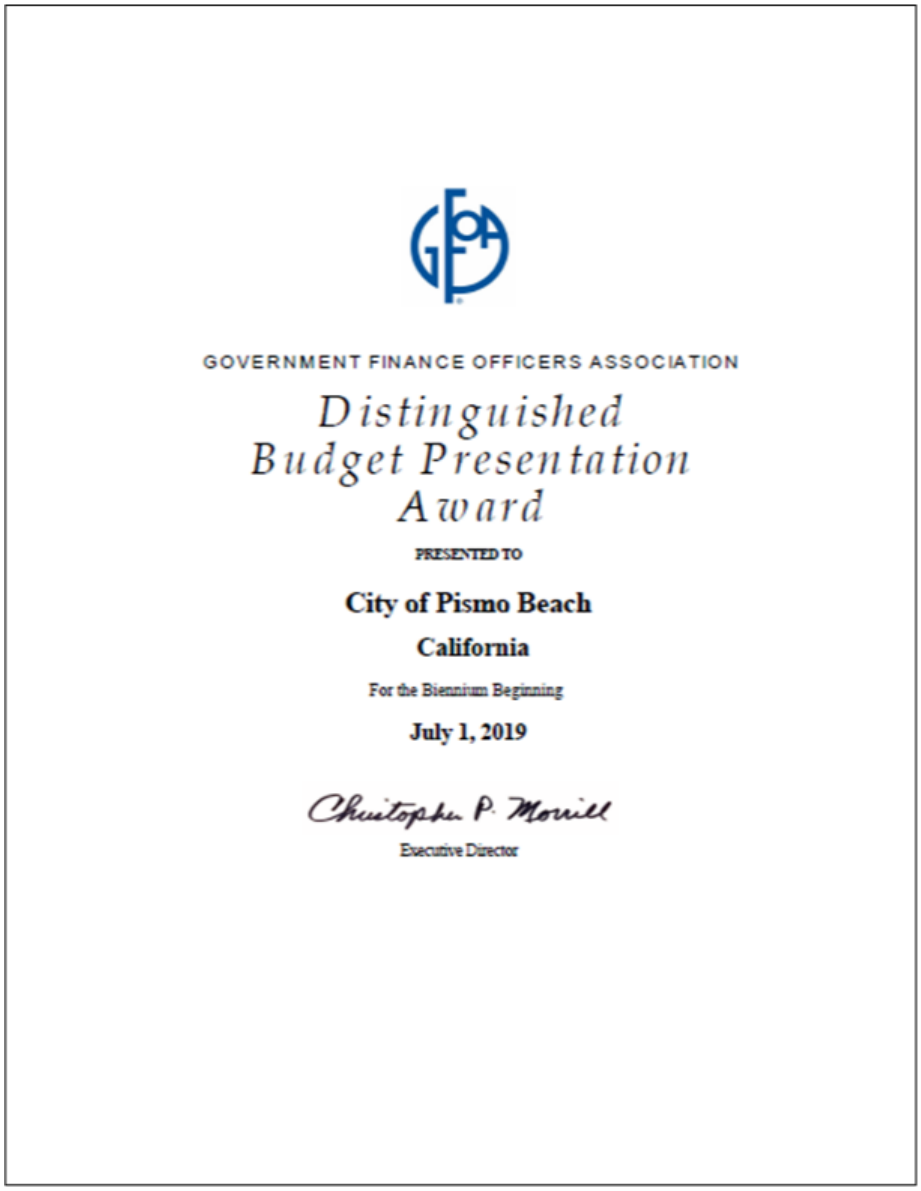
The audited financial statements include a fiduciary fund that is a private-purpose trust fund to account for assets held in trust for retired employees' health care. This fund is not subject to appropriation and is not included in this budget document.

Budget Awards

Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Pismo Beach, California for its biennial budget for the biennium beginning July 1, 2019. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of two years only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

City of Pismo Beach

California

For the Biennium Beginning

July 1, 2019

Christopher P. Morrill

Executive Director

California Society of Municipal Finance Officers (CSMFO) Budget Award



California Society of
Municipal Finance Officers

Certificate of Award

Operating Budget Excellence Award
Fiscal Year 2019-2020

Presented to the

City of Pismo Beach Biennial 2020 & 2021

For meeting the criteria established to achieve the CSMFO Excellence Award in Budgeting.

January 31, 2020

Steve Heide
CSMFO President

Yolanda Rodriguez, Chair
Recognition Committee

Dedicated Excellence in Municipal Financial Reporting

Basis of Budgeting

The City's governmental funds are maintained on the modified accrual basis of accounting in which revenues are recognized in the accounting period they become measurable and available. Expenditures are recognized in the period in which the liability is incurred, if measurable, except non-matured principal and interest in general obligation debt which is recognized when due.

All proprietary funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned and become measurable; expenses are recognized when they are incurred if measurable.

The budget document is presented on the same basis, with the exception of long-term assets and debts, which are shown on a cash basis.

Budget Goals

The budget goals are to maintain a balanced budget with revenues exceeding or equal to expenditures for all ongoing operations. This goal is met as the Adopted Budget is structurally balanced for all ongoing items for both years. Unassigned fund balances are to be used only for capital outlay or other non-recurring items. The Adopted Budget includes a 25% General Fund Reserve in FY 2022 and FY 2023. The Council has also adopted a policy of appropriating 1% as a contingency reserve. This year, the Council appropriated a 4% contingency reserve to support several large capital projects that could experience cost overruns and future projects from the Information Technology Strategic Plan scheduled to be complete during FY 2022. This budget maintains the $250 thousand Risk Management Reserve and maintains the $500 thousand City Facility Reserve. The adopted budgets include setting aside $2.0 million in FY 2022 and FY 2023 of the General Fund unassigned fund balance for a Budget Stabilization set-aside. This set-aside allows the City to manage a potential economic downturn by drawing down from the set-aside. The FY 2022 and FY 2023 adopted budgets also include $1.00 million per year for a CalPERS Prepayment set-aside to pay down the City's CalPERS unfunded pension liability.

Budget Approach and Options

Balanced budgets are adopted for every fund for both years. For the major operating funds, the General Fund, Water and Wastewater Enterprise Funds, and the Motor Vehicle Operations Fund, the adopted base budgets continue current operations at the same levels as in FY 2021.

The City Council is presented with several recommended additions to the base operating budgets and a number of capital improvement projects. Sufficient revenues and/or uncommitted fund balances are available in each fund to cover the costs of the recommended additions to the base budget and the adopted capital improvement projects.

Because of ongoing funding limitations, the limited availability of staff time to manage and administer new programs and projects, and a concern for financial stability in future years, not all proposed additions to the base budget, and not all projects identified in the Capital Improvement Plan, could be included in the FY 2022 and FY 2023 budgets.

Level of Budgetary Control

After the Council approves the budget, it has been general practice that during the year, Department Heads may transfer appropriations between maintenance and operations line items within their departments. However, the number of authorized personnel cannot be increased, and appropriations for employee services and capital outlay cannot be transferred to operations except with City Council approval. The City Manager may transfer appropriations between departments so long as total appropriations within a fund are not increased. Total appropriations within a fund may be increased only with Council approval. After proper approval, any such changes would be recorded as revisions to the budget.

RESOLUTION NO. R-2021-047

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PISMO BEACH, CALIFORNIA ADOPTING BIENNIAL BUDGETS FOR THE CITY OF PISMO BEACH FOR FISCAL YEAR (FY) 2022 AND FY 2023: JULY 1, 2021 THROUGH JUNE 30, 2023

WHEREAS, beginning in October 2020, the City Council began efforts to solicit the community's input to help shape the Council's goals for the upcoming Fiscal Year (FY) 2022 and FY 2023 budgets. The Council received input through the City's goal-setting outreach program called "Pismo Voice," including flyers in all utility bills; social media and other online notifications such as Facebook, Next Door, Notify Me; online survey/Pismo Voice platform, and feedback through the City's website; and

WHEREAS, after receiving the community's ideas, the Council heard an informational item on January 19, 2021 to discuss the status of the current goals; and

WHEREAS, on February 12, 2021, the Council took the consolidated results collected from the community outreach efforts and established four City Goals; and

WHEREAS, City staff developed work plan budget items to implement the City's goals as well as other important initiatives to improve services to the public and improve the City's infrastructure; and

WHEREAS, on April 14, 2021, the City Council conducted a public budget workshop to review the City's proposed budgets for FY 2022 and FY 2023 and receive public comment. At this meeting, staff presented key highlights for the next two fiscal years, work plan budget requests, and capital project requests; Council affirmed the City's fiscal policies and provided direction to staff on the work plan budget items; and

WHEREAS, on May 13, 2021, the Council held a Special Budget Workshop meeting on the proposed biennial budgets for FYs 2022 and 2023; at this meeting, staff presented a summary of the proposed budgets and work plans to the Council, and the Council heard public comments and outside agency funding requests; Council provided direction for the final budgets and to return with the final budget resolution on June 1, 2021.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Pismo Beach hereby appropriates from the specified City Funds, the amounts set forth for the departments, activities, programs, and projects as listed in **Exhibit A** attached hereto and by this reference made a part hereof.

BE IT FURTHER RESOLVED by the City Council of the City of Pismo Beach that the Job Classification for the position of Assistant City Manager, set forth as **Exhibit B** to this Resolution, is hereby approved and adopted, and by doing so amends the City's Classification Plan.

BE IT FURTHER RESOLVED that the City Council of the City of Pismo Beach hereby approves the Combined Employee Salary Schedule (**Exhibit C**) for Fiscal Year 2022 effective July 5, 2021, reflecting the above-described changes.

BE IT FURTHER RESOLVED that the City Council of the City of Pismo Beach hereby sets aside previously appropriated funds for projects and encumbrances carried forward from previous years, and not yet completed.

UPON MOTION OF Mayor Pro Tem Reiss, seconded by Council Member Guthrie, the foregoing resolution was adopted by the City Council of the City of Pismo Beach this 1st day of June 2021, by the following vote:

AYES:	**4**	**Reiss, Guthrie, Newton, Waage**
NOES:	**1**	**Blake**
ABSENT:	**0**	
ABSTAIN:	**0**	
RECUSED:	**0**	

Approved:

Ed Waage, Mayor

Attest:

Erica Inderlied, City Clerk

Table A: City of Pismo Beach General Fund Budgets for FY 2022 and FY 2023

General Fund	FY 2022	FY 2023
City Council	$ 217,361.33	$ 224,984.93
City Manager	462,073.50	464,666.03
Management Services	855,911.66	845,871.94
Tourism & Events	1,418,849.49	1,480,678.55
Administrative Services	1,069,417.39	1,096,922.76
Legal	401,500.00	401,500.00
Non-Department	1,765,450.00	1,836,411.00
Debt Service	520,037.15	514,479.11
Subtotal Administrative	***$ 6,710,600.52***	***$ 6,865,514.32***
Police	7,360,263.47	7,539,430.60
Fire	2,966,889.88	3,600,002.88
Junior Lifeguards	53,545.53	53,545.53
Lifeguards	255,677.00	261,119.00
Weed Abatement	14,500.00	14,500.00
Subtotal Public Safety	***$ 10,650,875.88***	***$ 11,468,598.01***
Building	714,102.03	711,452.28
Planning	980,921.34	982,311.78
Subtotal Community Development	***$ 1,695,023.37***	***$ 1,693,764.06***
Engineering	929,137.40	942,528.95
Government Buildings	697,110.86	711,419.32
Parks	1,241,955.84	1,261,422.08
Streets	1,052,476.50	1,063,327.33
Subtotal Public Works	***$ 3,920,680.60***	***$ 3,978,697.68***
Subtotal General Fund Operations	**$ 22,977,180.37**	**$ 24,006,574.07**
Work Plan One-Time Items	7,126,365.00	574,400.00
Work Plan Ongoing Items	774,102.00	1,775,128.00
Subtotal Above Base Items	***$ 7,900,467.00***	***$ 2,349,528.00***
3% General Fund Contingency	1,000,000.00	1,000,000.00
General Fund Reserve	534,188.34	422,045.67
Subtotal Contributions to Reserves	***$ 1,534,188.34***	***$ 1,422,045.68***
Non-Profit Agency Contributions	85,000.00	
Total General Fund	**$ 32,496,835.71**	**$ 27,778,147.75**
Less Transfers to Other Funds	(7,566,930.15)	(2,519,379.11)
Total General Fund Less Transfers	**$ 24,929,905.56**	**$ 25,258,768.64**

Table B: City of Pismo Beach Other Funds Budgets for FY 2022 and FY 2023

Fund Title	Expenditure Type	FY 2022	FY 2023
Half Cent Sales Tax Fund	Transfer Out to Special Revenue	$ 3,688,510.00	$ 389,000.00
Half Cent Sales Tax Fund Total		***$ 3,688,510.00***	***$ 389,000.00***
Gas Tax Fund	Transfer Out to General Fund	140,000.00	140,000.00
	Transfer Out to Special Revenue	325,000.00	
Gas Tax Fund Total		***$ 465,000.00***	***$ 140,000.00***
Local Transportation	Purchase Professional Services	24,500.00	4,500.00
	Other Expenses	641.00	673.00
	Transfer Out to Special Revenue	550,000.00	
Local Transportation Total		***$ 575,141.00***	***$ 5,173.00***
Public Education Government Fund	Operations & Maintenance	10,000.00	10,000.00
Public Education Government Fund Total		***$ 10,000.00***	***$ 10,000.00***
Grants - Non-Capital	Transfer Out to General Fund	150,000.00	150,000.00
Grants - Non-Capital Total		***$ 150,000.00***	***$ 150,000.00***
Housing In Lieu Fee	Other Expenses	1,407.00	1,477.00
	Other Financing Uses	10,700.00	-
Housing In Lieu Fee Total		***$ 12,107.00***	***$ 1,477.00***
Lodging Business Improvement District (LBID) Fund	Salaries & Wages	31,827.00	31,827.00
	Benefits	2,791.23	2,791.23
	Purchase Professional Services	105,350.00	89,350.00
	Other Purchased Services	897,400.00	897,400.00
	Operations & Maintenance	2,300.00	2,300.00
	Other Expenses	78,917.00	82,863.00
	Other Financing Uses	265,000.00	120,000.00
	Transfer Out to Special Revenue	336,000.00	-
	Transfer Out to Internal Service	22,888.00	10,664.00
LBID Fund Total		***$ 1,742,473.23***	***$ 1,237,195.23***
Chapman Estate Fund	Salaries & Wages	6,000.00	6,000.00
	Benefits	661.80	661.80
	Purchase Professional Services	1,000.00	1,000.00
	Other Purchased Services	16,700.00	16,700.00
	Operations & Maintenance	49,700.00	47,700.00
	Other Expenses	358.00	358.00
Chapman Estate Fund Total		***$ 74,419.80***	***$ 72,419.80***
Capital Projects	Capital Outlay	31,512,000.00	1,155,000.00
Capital Projects Total		***$ 31,512,000.00***	***$ 1,155,000.00***
Park Development Fund	Other Expenses	4,707.00	4,943.00
	Capital Outlay	225,000.00	
Park Development Fund Total		***$ 229,707.00***	***$ 4,943.00***

Exhibit A

Fund Title	Expenditure Type	FY 2022	FY 2023
Circulation Fees	Transfer Out to Special Revenue	-	211,000.00
Circulation Fees Total		***$ -***	***$ 211,000.00***
Impact Fees	Other Expenses	1,350.00	1,418.00
Impact Fees Total		***$ 1,350.00***	***$ 1,418.00***
Public Financing Authority Debt Srvc	Debt Service	390,987.50	392,862.50
Public Financing Authority Debt Service Total		***$ 390,987.50***	***$ 392,862.50***
Public Financing Agency	Debt Service	709,572.15	1,638,048.15
Public Financing Agency Total		***$ 709,572.15***	***$ 1,638,048.15***
	Total Other Funds	**$ 39,561,267.68**	**$ 5,408,536.68**
	Less Transfers to Other Funds	(5,212,398.00)	(900,664.00)
	Total Other Funds Less Transfers	**$ 34,348,869.68**	**$ 4,507,872.68**

Table C: City of Pismo Beach Enterprise Funds Budget for FY 2022 and FY 2023

Fund Title	Expenditure Type	FY 2022	FY 2023
Water Enterprise Fund	Salaries & Wages	$ 488,735.19	$ 491,078.30
	Benefits	405,049.21	353,588.28
	Purchase Professional Services	1,408,206.00	1,573,656.00
	Other Purchased Services	301,414.00	306,601.00
	Operations & Maintenance	303,707.00	304,266.00
	Other Expenses	441,701.00	461,631.00
	Capital Outlay	83,000.00	83,000.00
	Other Financing uses		15,000.00
	Transfer Out to Enterprise Fund	2,241,300.00	2,478,800.00
	Transfer Out to Internal Service	52,092.00	45,017.00
Water Enterprise Fund Total		***$ 5,725,204.40***	***$ 6,112,637.58***
Water Tax Lopez State	Purchase Professional Services	2,778,933.00	2,778,933.00
Water Tax Lopez State Total		***$ 2,778,933.00***	***$ 2,778,933.00***
Water Construction Fund	Reserve	200,000.00	200,000.00
	Capital Outlay	679,300.00	910,800.00
Water Construction Fund Total		***$ 879,300.00***	***$ 1,110,800.00***
Wastewater Treatment Fund	Salaries & Wages	642,945.00	654,109.51
	Benefits	630,592.29	456,050.31
	Purchase Professional Services	146,925.00	98,475.00
	Other Purchased Services	434,167.00	441,598.00
	Operations & Maintenance	566,238.08	566,844.08
	Other Expenses	1,162,394.00	1,190,042.00
	Capital Outlay	40,800.00	40,800.00
	Debt Service	1,105,051.17	1,106,926.17
	Transfer Out to Debt Service	275,588.69	275,460.15
	Transfer Out to Enterprise Fund	295,000.00	170,000.00
	Transfer Out to Internal Service	75,254.00	67,840.00
Wastewater Treatment Fund Total		***$ 5,374,955.23***	***$ 5,068,145.22***
Wastewater Capital Projects	Reserve	131,000.00	131,000.00
	Capital Outlay	164,000.00	39,000.00
Wastewater Capital Projects Total		***$ 295,000.00***	***$ 170,000.00***
Wastewater Expansion	Other Expenses	473.00	497.00
Wastewater Expansion Total		***$ 473.00***	***$ 497.00***

Exhibit A

Fund Title	Expenditure Type	FY 2022	FY 2023
Local Transportation Transit Fund	Purchase Professional Services	2,000.00	2,000.00
	Other Expenses	858.00	900.00
Local Transportation Transit Fund Total		***$ 2,858.00***	***$ 2,900.00***
Pier Enterprise Fund	Other Purchased Services	39,272.00	39,272.00
	Operations & Maintenance	43,000.00	43,000.00
Pier Enterprise Fund Total		***$ 82,272.00***	***$ 82,272.00***
Parking Enterprise Fund	Salaries & Wages	205,522.67	205,929.88
	Benefits	92,640.25	95,370.72
	Purchase Professional Services	8,500.00	8,500.00
	Other Purchased Services	64,083.00	64,083.00
	Operations & Maintenance	109,198.00	121,229.00
	Other Expenses	145,474.00	150,480.00
	Capital Outlay	2,681,681.00	-
	Transfer Out to Internal Service	76,031.00	-
Parking Enterprise Fund Total		***$ 3,383,129.92***	***$ 645,592.60***
	Total Other Funds	**$ 18,522,125.55**	**$ 15,971,777.40**
	Less Transfers to Other Funds	(3,015,265.69)	(3,037,117.15)
	Total Other Funds Less Transfers	**$ 15,506,859.86**	**$ 12,934,660.25**

Table D: City of Pismo Beach Internal Service Funds for FY 2022 and FY 2023

Fund Title	Expenditure Type	FY 2022	FY 2023
Technology Service Fund	Salaries & Wages	$ 120,148.20	$ 120,148.20
	Benefits	45,205.72	45,862.91
	Purchase Professional Services	104,800.00	39,800.00
	Other Purchased Services	521,720.20	482,465.20
	Operations & Maintenance	187,960.00	127,960.00
	Capital Outlay	256,000.00	21,000.00
Technology Service Fund Total		***$ 1,235,834.12***	***$ 837,236.31***
Motor Vehicle Fund	Salaries & Wages	74,867.37	74,867.37
	Benefits	66,092.63	68,562.73
	Other Purchased Services	3,160.00	3,160.00
	Operations & Maintenance	365,296.00	366,358.00
	Other Expenses	6,094.00	6,027.00
	Capital Outlay	252,600.00	914,800.00
Motor Vehicle Fund Total		***$ 768,110.00***	***$ 1,433,775.10***
	Total Other Funds	**$ 2,003,944.12**	**$ 2,271,011.41**
	Less Transfers to Other Funds	-	-
	Total Other Funds Less Transfers	**$ 2,003,944.12**	**$ 2,271,011.41**

Table E: City of Pismo Beach All Funds Expenditures for FY 2022 and FY 2023

	FY 2022	FY 2023
Total All Expenditure Appropriations	**$ 92,049,984.72**	**$ 51,007,427.56**
Less Transfers to Other Funds	(15,794,593.84)	(6,457,160.26)
Total All Funds Expenditures Less Transfers	**$ 76,255,390.88**	**$ 44,550,267.30**

Table F: City of Pismo Beach Revenue Budget for FY 2022 and FY 2023

Fund Title	FY 2022	FY 2023
General Fund	$ 28,533,237.98	$ 29,644,201.03
Half Cent Sales Tax Fund	1,551,600.00	1,566,600.00
Gas Tax Fund	382,889.00	382,889.00
Local Transportation	206,483.00	206,483.00
Public Education Government Fund	37,000.00	37,000.00
Grants - Non-Capital	153,300.00	153,300.00
Housing In Lieu Fee	80,000.00	80,000.00
Lodging Business Improvement District Fund	2,654,900.00	2,707,900.00
Chapman Estate Fund	375,000.00	50,000.00
Capital Projects	31,512,000.00	1,155,000.00
Park Development Fund	33,200.00	33,200.00
Circulation Fees	6,700.00	6,700.00
Impact Fees	16,100.00	16,100.00
Developer Impact Fee	1,000.00	1,000.00
Public Financing Authority Debt Service	390,987.50	392,862.50
Public Financing Agency	709,572.15	1,668,654.83
Water Enterprise Fund	5,242,300.00	5,321,300.00
Water Tax Lopez State	2,772,000.00	3,098,000.00
Water Construction Fund	893,300.00	1,124,800.00
Water Expansion Fund	5,600.00	5,600.00
Wastewater Treatment Fund	5,059,853.69	5,056,184.43
Wastewater Capital Projects	300,000.00	175,000.00
Wastewater Expansion	28,800.00	28,800.00
Local Transportation Transit Fund	11,000.00	11,000.00
Pier Enterprise Fund	98,872.00	90,008.00
Parking Enterprise Fund	2,257,045.00	2,340,743.00
Technology Service Fund	1,235,834.00	837,236.00
Motor Vehicle Fund	1,184,605.00	1,117,247.00
Total All Revenue Appropriations	**$ 85,733,179.32**	**$ 57,307,808.79**
Less Transfers to Other Funds	(15,794,593.84)	(6,457,160.26)
Total All Funds Revenues Less Transfers	**$ 69,938,585.48**	**$ 50,850,648.53**

Key Assumptions

In general, the adopted two-year budget includes several key assumptions.

Revenue Assumptions

- Operating revenues are projected based on historical revenue collections, known rate changes, consumer price index inflation, and estimated economic factors.
- This budget assumes conservative increases in the City's major revenue sources: water and wastewater rates, TOT, property tax, and sales tax. Details of water and wastewater revenues are provided in the All Funds Operating Revenues section, which includes rate changes in January 2022 and January 2023. Details of the remaining revenues and assumptions are provided in the General Fund Revenues section. Included in these key General Fund revenues is the inclusion of an additional 1% for TOT revenues based on a voter approved additional 1% effective January 1, 2021, which increases TOT revenues. In total, these revenues are expected to increase 14.0% in FY 2022 compared to FY 2021 projected actuals as of April 2021 and another 2.0% in FY 2023. Since this budget was adopted, the FY 2022 and FY 2023 TOT revenues have been updated to reflect the updated FY 2021 projection. These and all other revenues are in line with historical trends, known rate changes, and economic projections.

Expenditure Assumptions

- The Budget includes the following personnel cost assumptions:
- Salaries and wages:
  - Increases to reflect projected merit increases
  - Assumes all positions are filled
- Benefit increases:
  - Medical insurance assumes no change in City contributions
  - Dental, vision, and life insurance increase to reflect no additional increases based on historical actual increases
  - Workers' compensation rates remained the same as FY 2021 to support the FY 2022 and FY 2023 workers' compensation premium costs
  - CalPERS rate changes based on data provided by PERS Actuarial Reports dated August 2020. The City provides retirement benefits for full-time employees through CalPERS. The City has three retirement plans, each with two to three benefit tiers. The third tier is also often referred to as the California Public Employees' Pension Reform Act (PEPRA) tier. The following two tables provide the rates as of June 30th of each fiscal year as projected by CalPERS and are included in this two-year budget. The variable rates are multiplied by the employee's salary and equal the employee's contribution toward their retirement benefits. The fixed cost amounts are flat contribution amounts that go toward paying down the City's unfunded liability.

    Each tier within each plan calls for a different employer and employee cost, with the 1st tier costing the most and the 3rd tier, or the PEPRA tier, costing the least to the employer. The employees all contribute the same amount depending on their plan (Miscellaneous tier 1 and 2 employees contribute 8.0%, and Miscellaneous PEPRA employees contribute 8.5% of their salary to their retirement. Safety Police tier 1 and 2 employees contribute 12.0%, and Safety Police PEPRA employees contribute 13.5% of their salary to their retirement).

    The following tables reflect the CalPERS rates for Miscellaneous and POA employees for each fiscal year.

FY 2022 CalPERS Cost

Plan	City Normal Cost Rate	Employee Pick-up	City Rate	Employee Rate	City Unfunded Liability Payment	Benefit
Miscellaneous - T1	12.20%	0.00%	12.20%	8.00%	$ 723,295	2.5% at age 55
Miscellaneous - T2	8.65%	1.00%	7.65%	8.00%	$ 31,072	2.0% at age 60
Miscellaneous - T3 (PEPRA)	7.59%	1.75%	5.84%	8.50%	$ 42,916	2.0% at age 62
Police - T1	23.71%	3.00%	20.71%	12.00%	$ 562,321	3.0% at age 50
Police - T2	20.64%	3.00%	17.64%	12.00%	$ 8,088	3.0% at age 55
Police - T3 (PEPRA)	13.13%	0.50%	12.63%	13.50%	$ 25,801	2.7% at age 57
Fire - T1	0.00%	0.00%	0.00%	9.00%	$ 136,904	2.0% at age 50
Fire - T3 (PEPRA)	0.00%	0.00%	0.00%	12.00%	$ 2,256	2.7% at age 57

FY 2023 Projected CalPERS Cost

Plan	City Normal Cost Rate	Employee Pick-up	City Rate	Employee Rate	City Unfunded Liability Payment	Benefit
Miscellaneous - T1	12.20%	0.00%	12.20%	8.00%	$ 788,000	2.5% at age 55
Miscellaneous - T2	8.70%	1.00%	7.70%	8.00%	$ 31,000	2.0% at age 60
Miscellaneous - T3 (PEPRA)	7.60%	1.75%	5.85%	8.50%	$ 43,000	2.0% at age 62
Police - T1	23.71%	3.00%	20.71%	12.00%	$ 616,000	3.0% at age 50
Police - T2	20.64%	3.00%	17.64%	12.00%	$ 8,100	3.0% at age 55
Police - T3 (PEPRA)	13.13%	0.50%	12.63%	13.50%	$ 26,000	2.7% at age 57
Fire - T1	0.00%	0.00%	0.00%	9.00%	$ 137,000	2.0% at age 50
Fire - T3 (PEPRA)	0.00%	0.00%	0.00%	12.00%	$ 2,300	2.7% at age 57

Notes on the FY 2022 and FY 2023 CalPERS Cost tables:

- The City Normal Cost Rate is the total cost to the City of the CalPERS pension liability for current pension costs. This rate is the total amount before any City or employee cost sharing.
- The Employee Pick-Up Rate is the cost sharing amount of the CalPERS pension liability for current pension costs borne by the employee to share a portion of the City Normal Cost Rate.
- The City Rate is the City's share of the CalPERS pension liability for current pension costs after the Employee Pick-Up.
- The Employee Rate is the employees' cost for CalPERS pension liability.

The City Unfunded Liability Payment is the fixed amount due to CalPERS to support the estimated unfunded liability based on the net of what is required to be paid less City contributions and market investments, amortized over a set term.

Use of Cost Accounting

Cost accounting is the process of tracking, recording, analyzing, and allocating costs associated with activity provided by the City, which benefits multiple funds and departments within the City. The City incurs direct and indirect costs in the provision of City services and programs. The City recovers the costs of central administrative and support activities through the development and application of indirect cost rates. The City also uses internal service funds to allocate costs for fleet and IT services through rental rates.

A central services cost allocation plan identifies indirect costs incurred by the City to support and administer identified programs. Identifying the indirect cost of various programs is integral to determining the full cost of supporting these programs and is valuable when seeking reimbursement.

Direct and Indirect Costs

The City defines direct costs as those costs that can be specifically or readily identified with a specific cost objective or program. Indirect costs are defined as those costs necessary for the effective and efficient operation of City programs, which cannot be readily identified to a specific cost objective or program without effort disproportionate to results achieved.

For some "personal choice" services (rather than "community/tax-supported" services), the City calculates and charges a fee to the public requesting the service. This is accomplished by identifying the cost of services provided to its customer and matching revenues to those costs. The City Council adopted a comprehensive set of new Service Fees that are effective as of July 5, 2015. Most of these fees remain current as they are updated each year by the consumer price index. Additional fees have been added since that time to recover additional services.

Internal Service Funds

Internal service funds are specifically designed to function as cost-reimbursement devices. Internal service funds are simply a mechanism to accumulate costs related to a particular activity on an accrual basis so that the costs can be subsequently allocated to the benefitting funds in the form of a fee. Accordingly, the City utilizes an internal service fund to collect costs associated with maintenance and replacement of the City's fleet and determines rental rates to be charged to the benefitting funds. In addition, the City has an internal service fund to allocate technology service operations and projects based on various factors to each fund and department benefitting from the service.

Constitutional Spending Limits (Gann Limit)

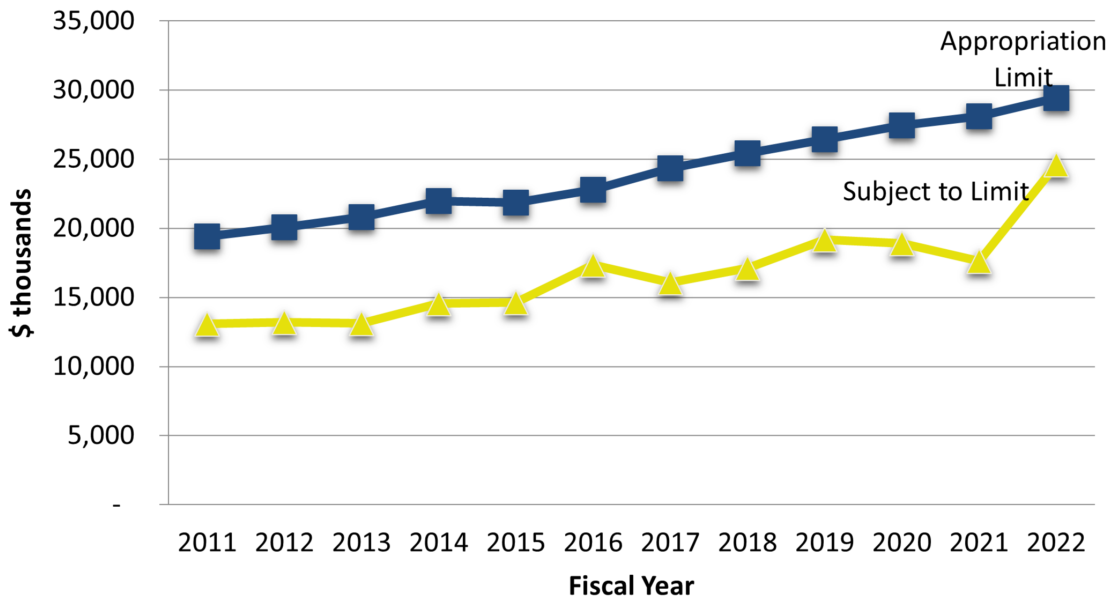
Article XIII (B) of the California Constitution**,** adopted by the voters on June 6, 1979, provides that the City's annual appropriations from state and local taxes be subject to certain state limitations. Under its provisions, no local agency can appropriate proceeds of taxes in excess of its "appropriations limit." Excess funds may be carried over into the next year. However, any excess funds remaining after the second year must be returned to taxpayers by reducing tax rates or fees; or a majority of the voters may approve an override to increase the limit. This appropriations limit is often referred to as the Gann Limit, which is calculated each year, and established by a resolution of the City Council.

The purpose of this law is to limit government spending by putting a cap on the total proceeds of taxes that may be appropriated each year. The original Article XIII (B) was modified by Proposition 111 and SB 88, approved by California voters in June of 1990. Proposition 111 allows cities more flexibility in choosing certain inflation and population factors to calculate the limit.

Each year's limit is based on the amount of tax proceeds that were authorized to be spent in FY 1979 in each agency, modified for changes in inflation and population in each subsequent year. Proposition 111 allows cities to choose either the growth in California per capita income or the growth in non-residential assessed valuation due to new construction in the city. To calculate the Gann spending limit, the prior year's limit is adjusted by the growth factor of the California Per Capita Personal Income, and by the change in the population within the City of Pismo Beach. The Gann Limit calculation for FY 2022 determined that $29.43 million was the appropriation limit and the City's budget includes $24.63 million that are subject to the limit. The City Council approved the Gann Limit calculation in Resolution No. R-2021-043 on June 1, 2021.

The following table illustrates the calculated appropriation limit compared to the appropriations subject to the limit over a 10-year period. The City's appropriations subject to the limit are consistently well below the appropriation limit, averaging about 69% under the limit over this period.

Appropriation Limit vs. Appropriations Subject to Limit



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BUDGET OVERVIEW



Comprehensive Budget Summary

The Comprehensive Budget Summary includes discussions about revenues, expenditures, projections, staffing, changes to service levels, and key assumptions, all of which contribute to the development of the FY 2022 and FY 2023 Adopted Budgets.

The FY 2022 and FY 2023 Adopted Budgets present a balanced budget, with revenues sufficient to cover normal operations (or base level) and adopted ongoing work plan budget requests (or above base level) budget expenditures. The baseline budget is a continuation of all current services and contracts without any changes to staffing levels, contract costs beyond normal cost increases, program enhancements, or capital projects. The work plan budget requests are all revenues and expenditures over the baseline budget. These work plan budget items include accomplishments of the City's goals, investments in the City's future for water supply and conservation; public safety; traffic, circulation, and parking; community character and quality of life for residents; and beach access and bluff protection. These include several capital projects, program enhancements, and increased contributions to contingency funds, replacement funds, and General Fund reserves.

The following tables depict the FY 2022 and FY 2023 Adopted Budget, all net of transfers. The first table is the total budget with ongoing and one-time revenues and expenditures. This table also includes General Fund contributions for reserves that reduce the fund balance. The second table includes the operating budget, or the ongoing revenues and expenditures. The third table includes the one-time revenues and expenditures. Note that the operating budget is structurally balanced, meaning that operating revenues are greater than or equal to operating or ongoing expenditures and the one-time expenditures are supported by one-time revenues or fund balance.

Total Budget	FY 2022 Adopted Budget	FY 2023 Adopted Budget
Beginning Fund Balance	$ 36,246,939	$ 29,930,133
Revenues	$ 69,938,585	$ 50,850,649
Expenditures	76,255,391	44,550,267
Net (Revs - Exps)	$ (6,316,805)	$ 6,300,381
Ending Fund Balance	$ 29,930,133	$ 36,230,515
Less Contributions to Reserves	(534,188)	(422,046)
Revised Ending Fund Balance	$ 29,395,945	$ 35,808,469

Operating Budget	FY 2022 Adopted Budget	FY 2023 Adopted Budget
Revenues	$ 49,367,095	$ 50,700,649
Expenditures	39,990,360	42,008,617
Net (Revs - Exps)	$ 9,376,736	$ 8,692,031

One-Time Revenues & Expenditures
Net is supported by fund balance

Total Budget	FY 2022 Adopted Budget	FY 2023 Adopted Budget
Revenues	$ 20,571,490	$ 150,000
Expenditures	36,265,031	2,541,650
Net (Revs - Exps)	$ (15,693,541)	$ (2,391,650)

The Adopted Two-Year Budget is Balanced

The FY 2022 Adopted Budget for all funds, net of transfers between funds, includes a total of $69.9 million in revenues and $76.3 million in operating and capital budget for a net $6.3 million more expenditures than revenues. The operating budget is balanced with a $9.4 million net operating surplus. The $15.7 million of expenditures that exceed revenues are for one-time capital projects that the City will support from accumulated fund balances and a bond issuance.

The FY 2023 Adopted Budget for all funds, net of transfers between funds, includes a total of $50.9 million in revenues and $44.6 million in operating and capital budget for a net $6.3 million more revenues than expenditures. The operating budget is balanced with an $8.7 million net operating surplus. The $2.4 million of expenditures that exceed revenues are for one-time capital projects that the City will support from accumulated fund balances.

Total Budget	FY 2021 Adopted Budget	FY 2022 Adopted Budget	FY 22 vs FY 21	FY 2023 Adopted Budget	FY 23 vs FY 22
Beginning Fund Balance	$ 26,154,793	$ 36,246,939	$ 10,092,146	$ 29,930,133	$ (6,316,805)
Revenues	$ 44,175,206	$ 69,938,585	$ 25,763,380	$ 50,850,649	$ (19,087,937)
Expenditures	39,331,038	76,255,391	36,924,352	44,550,267	(31,705,124)
Net (Revs - Exps)	$ (6,316,805)	$ (6,316,805)	$ -	$ 6,300,381	$ 6,300,381
Ending Fund Balance	$ 30,998,961	$ 29,930,133	$ (1,068,827)	$ 36,230,515	$ 6,300,381
Less Contributions to Reserves	(68,594)	(534,188)	(465,595)	(422,046)	112,143
Revised Ending Fund Balance	$ 29,395,945	$ 29,395,945	$ -	$ 35,808,469	$ 6,412,524

FY 2022 Adopted Budget vs. FY 2021 Adopted Budget

The FY 2022 Adopted Budget includes $25.76 million more revenues compared to the FY 2021 Adopted Budget. The additional revenues come from various sources, including $17.00 million more in one-time bond proceeds for the Public Safety Facility; $2.92 million additional one-time federal government grants for the Ocean Boulevard Improvements project, $2.86 million of additional Transient Occupancy Tax (TOT), $1.39 million additional parking revenues, $0.91 million of additional one-time insurance reimbursement for the Ocean Boulevard Improvements project and Chapman Estate Trust funds. The FY 2022 Adopted Budget also includes $36.92 million more budgeted expenditures, primarily due to $32.02 million more one-time expenditures and capital projects budgeted in FY 2022. Similar to the last two-year budget for FY 2020 and FY 2021, most of the large one-time projects are budgeted in the first year of the two-year budget.

FY 2023 Adopted Budget vs. FY 2022 Adopted Budget

The FY 2021 Adopted Budget includes $19.09 million fewer revenues compared to the FY 2022 Adopted Budget, largely due to $17.00 million fewer bond proceed revenues that were one-time revenues budgeted in FY 2022 and $2.92 million fewer one-time federal government grants that were budgeted in FY 2022. The FY 2023 Adopted Budget includes $31.71 million fewer expenditures compared to the FY 2022 Adopted Budget, primarily due to more one-time capital projects budgeted in FY 2022 than in FY 2023. Similar to the last two-year budget for FY 2020 and FY 2021, most of the large one-time projects are budgeted in the first year of the two-year budget.

Comparing FY 2021 Adopted Budget to FY 2022 and FY 2023 Adopted Budgets

Comparing Adopted Budgets over time provides a look at how things have changed since the last two-year budget cycle. The following table provides the total budget for the FY 2021 through the FY 2023Adopted Budgets, including variances for each fiscal year compared to the previous fiscal year. Explanations of the variances are provided after the table.

City Goals

Process for Creating City Goals

To guide development of this budget for the next two years, the Council engaged the community by soliciting ideas and input through our enhanced engagement initiative, *Pismo Voice*. *Pismo Voice* utilized a variety of means, including flyers in all utility bills; social media and other online notifications such as Facebook, Next Door, Notify Me; online survey/Pismo Voice platform, and feedback through the City's website. Additionally, employees were able to collaborate by department to share their thoughts on what investments should be made. Based on this input, the City Council adopted several strategic goals and priorities that are funded in this budget, including major investments in:

- Water Supply, Conservation, and Central Coast Blue (Sustainability);
- Public Safety;
- Traffic, Circulation, and Parking;
- Community Character and Quality of Life for Residents.

How FY 2022 & FY 2023 City Goals Compare to the FY 2020 & FY 2021 City Goals

The FY 2022 & FY 2023 City Goals build upon the success of the FY 2020 & FY 2021 City goals from the last two-year budget. Similar to the last two-year budget, the Council continues to prioritize water supply, conservation, and Central Coast Blue. This long-term goal and Council's commitment to achieving a more sustainable water supply, including conservation and focusing on implementing Central Coast Blue, continues to be a top priority.

Another continued goal is downtown parking, where the next two budget years will also address traffic, circulation, as well as parking. As the Council has explored downtown parking over the past two years, the City is expanding its reach for parking throughout the City and will address traffic and circulation issues.

The last two-year budget included a goal for Bello Street and Old City Hall. This year, the goal is Public Safety, which encompasses a better use for Old City Hall, including construction of a new Public Safety Facility, preserving the façade of the Old City Hall building, and moving the public tennis courts to Judkins Middle School for multiple uses. Thirdly, the last two-year budget included Downtown improvements and Pier Plaza. That goal is complete with the construction of a new Pier Plaza.

Finally, the last two-year budget included Local Coastal Plan/General Plan/Zoning as a City Goal. About two-thirds of the work for this goal is complete, with projections to complete work related to the Local Coastal Plan/General Plan/Zoning during FY 2022. Once the work is complete, working with the City Council and Coastal Commission will determine the next steps in this important process.

New for FY 2022 & FY 2023 is the Community Character and Quality of Life for Residents City Goal. This goal includes a renewed focus on the City's residents, investing in neighborhoods, including road, sidewalk, and park improvements and providing exceptional services to the public.

FY 2022 and FY 2023 City Goals

Below are the City's goals for FY 2022 and FY 2023.

GOAL #1: Water Supply, Conservation, and Central Coast Blue (Sustainability)
Goal statement: Sustain the City's water supply by completing Central Coast Blue and pursuing access to new, high-quality and reliable water sources; promoting conservation; and conducting public outreach and education.
Priorities for the next two years:

- Implement Central Coast Blue, working with partner agencies
- Promote water conservation
- Pursue additional water supplies and options for storage
- Conduct public outreach and education

GOAL #2: Public Safety
Goal statement: Create a public safety center that enables exceptional public safety services and honors the history of the site.
Priorities for the next two years:

- Build a state-of-the-art fire facility
- Modernize and expand the police station
- Preserve the facade of the historic city hall

GOAL #3: Traffic, Circulation, and Parking
Goal statement: Improve traffic flow and parking assets to meet the needs of current and future residents and visitors.
Priorities for the next two years:

- Continue work on downtown parking solutions, including acquiring additional parking assets
- Improve bike and pedestrian options
- Determine whether or not to acquire Dolliver Street from the state and make circulation improvements per the Circulation Element
- Determine future of outdoor dining and related parking considerations

GOAL #4: Community Character and Quality of Life for Residents
Goal statement: Build on the strength of our local community to preserve the City's "Classic California" charm and ensure an exceptional quality of life for residents.
Priorities for the next two years:

- Invest in neighborhoods, including road, sidewalk, and park improvements
- Relocate tennis courts located at the site of the future public safety center and add basketball courts/pickleball courts to offer improved recreational opportunities for residents at the new site
- Complete updates to the Local Coastal Plan, General Plan and Zoning Ordinance, emphasizing issues important to the community, such as managed growth, appropriate design, and neighborhood preservation
- Engage the community and communicate the benefits of a visitor economy to quality of life for residents (e.g., tourism, hospitality)
- Evaluate the locations and potential expansion of recreation programs to meet community needs (i.e., mobile home community centers)
- Implement community beautification strategies (e.g., James Way Beautification Plan), and establishing City policy about tree planting programs
- Evaluate the option of assessment districts to address major infrastructure improvements (e.g., Shell Beach drainage; undergrounding utilities)
- Deliver exceptional services to the public

City Goals

• Next Level Service •

Based on the community's feedback, the City Council set four goals for the City's two-year budget. This graphic shows the four goals and lists projects included in the FY 2022 and FY 2023 Adopted Budgets.

Community Character and Quality of Life for Residents

- Litter removal in Shell Beach
- Sidewalk cleaning in the downtown core and the Pier Plaza
- Beach swing replacement at Main & Addie Streets
- Bike repair stands with air pumps
- Bluff protection warning signage
- Chumash Park improvements
- Increased park maintenance services
- Increased street maintenance services
- Electronic plan check equipment
- FY 2022 Street Paving Project
- Hinds/Ocean View pedestrian path
- James Way beautification
- New holiday decorations for downtown core & Shell Beach
- Local Coastal Plan Update
- Neighborhood resident events
- Improved customer service
- Outdoor performances
- Palisades Park improvements
- Park Sign updates
- Permitting software upgrade
- Price Historical Park Improvements
- Public Art
- Recreation Class registration enhancements
- Senior Social
- Spyglass Dog Park
- Spyglass Sidewalk at US-101
- Tennis and Basketball court relocation
- Urban Greening
- Water bottle filling stations
- Workout station at South Palisades – Outdoor fitness equipment / trail

Public Safety

- City Hall Security Cameras
- Community Camera Program
- Community Fire Risk Reduction Program
- Fire Department AED replacement
- Municipal Code Compliance Team at City Parks
- Public Access AEDs
- Primary Weapons System Upgrade for Accuracy
- Public Safety Facility construction
- Radio System Reliability Upgrade
- Radio System Support and Maintenance
- Wadsworth Underpass lighting

Traffic, Circulation, and Parking

- Parking acquisition for new parking inventory
- Shell Beach 5,000 sq. ft. parking lot
- Signalize Bello St./Price Canyon Rd.
- Update Bike and Pedestrian plan to include e-bikes

Water Supply, Conservation, and Central Coast Blue (Sustainability)

- Additional water supplies reserve
- Automated water meter reading
- Central Coast Blue public information
- New production well
- Pacific Estates 2 Reservoir Maintenance
- SCADA-automated security system and cybersecurity
- Shell Beach 1 Reservoir replacement
- City-wide Water Master Plan & Resiliency Study
- Water line replacement
- Water supplies reserve
- Water and Wastewater Rate Study

Adopted Work Plan Budgets

The budget is built from base operations. Once the base budget is established, work plan budget items are considered. These items include program enhancements, staffing modifications, service modifications, etc., that fit within the City's goals. The ability to add work plan items changes from year to year and is based on the amount of funding available. A complete list of work plan budget items for each year is included below in this section.

Total work plan items adopted by the City Council, net of revenues and transfers, are $37,697,347 in FY 2022 and $4,470,945 in FY 2023. These amounts include $32,536,339 in FY 2022 and $4,25,812 in FY 2023 towards accomplishing the City's goals. The following table provides the net (expenditures less transfers) amount of adopted work plan budget items by fund for each budget year.

Community Character and Quality of Life for Residents

Community Character and Quality of Life for Residents

Description	Fund Title	One-time/ Ongoing	FY 2022	FY 2023
Achievement House - Litter Removal in Shell Beach	General Fund	Ongoing	$ 25,800	$ 25,800
Achievement house sidewalk cleaning in the downtown core and the Pier Plaza	General Fund	Ongoing	20,550	20,550
Assessment District Study	General Fund	One-time	20,000	
Beach Swing Replace-Main Addie	Capital Projects	One-time	36,000	
Bike Repair Stands w/ Air Pumps (Dino Caves, Streetscape near school, Hwy1 near butterfly grove, James Way and Mattie, Downtown near bike stands)	General Fund	One-time		11,400
Bluff protection warning signage – risk management	General Fund	One-time	10,000	
Chumash Park improvements	Capital Projects	One-time	350,000	
Contract services to provide increased park maintenance services - Next Level	General Fund	Ongoing	20,000	20,000
Contract services to provide increased street maintenance services - Next Level	General Fund	Ongoing	20,000	20,000
Electronic Plan Check Equip	Technology Service Fund	One-time	60,000	
Electronic Plan Check Equipment	General Fund	One-time		
FY 2022 Paving Project	Capital Projects	One-time	5,650,000	
Hinds/Ocean View Ped Path	Capital Projects	One-time		180,000
James Way Beautification	Capital Projects	One-time	300,000	
Lit Christmas Decorations for Downtown Core & Shell Beach	General Fund	One-time	60,000	
Local Coastal Plan Update	General Fund	One-time	100,000	
Neighborhood Resident Events	General Fund	Ongoing	25,000	25,000
Next Level Opportunity for Improved Customer Service	General Fund	Ongoing	400,000	400,000
Outdoor Performances	General Fund	Ongoing	5,000	5,000
Palisades Park improvements	Park Development Fund	One-time	100,000	
Park Sign Updates	Capital Projects	One-time	145,000	
Permitting software upgrade	General Fund	Ongoing		17,500
	Technology Service Fund	One-time	175,000	
Planning Studies for professional services ongoing – ie. corridor study, entrance study	General Fund	Ongoing	25,000	25,000
Price Historic Park Improvements	Park Development Fund	One-time	65,000	
Public Art	General Fund	Ongoing	20,000	20,000
Recreation Class registration enhancements	General Fund	One-time	6,200	
Senior Social	General Fund	Ongoing	2,500	2,500
Sidewalk improvements policy (residential sidewalk)	General Fund	One-time	-	
Spyglass Dog Park	Capital Projects	One-time		75,000
Spyglass Sidewalk US-101	Capital Projects	One-time	300,000	
Tennis Bball Court relocation	Capital Projects	One-time	335,000	
Urban Greening	General Fund	One-time	40,000	
Water bottle filling stations	Capital Projects	One-time	56,000	
Workout station South Palisades – Outdoor fitness equipment / trail	Park Development Fund	One-time	60,000	
Total			$ 8,432,050	$ 847,750

Public Safety

Public Safety

Description	Fund Title	One-time/ Ongoing	FY 2022	FY 2023
City Hall Security Cameras	Capital Projects	One-time	$ 40,000	
Community Camera Program	Capital Projects	Ongoing		25,000
Community Fire Risk Reduction Program	General Fund	Ongoing	6,000	12,000
Debt Service on Public Safety Facility	Public Financing Agency	Ongoing	-	961,100
Fire Department AED replacement	General Fund	One-time	2,900	
IAPro software	General Fund	One-time	21,600	
Lexus Nexus Risk Solutions	General Fund	Ongoing	11,800	12,154
Municipal Code Compliance Team - Parks pilot program	General Fund	One-time	40,000	
Police Overtime increase for training, events staffing	General Fund	Ongoing	125,008	125,008
Primary Weapon System, including Red Dot aiming system	General Fund	One-time	30,000	
Public Access AED maintenance	General Fund	Ongoing		
Public Access AEDs	General Fund	One-time	11,000	
Public Safety Facility construction	Capital Projects	One-time	20,000,000	
Public Safety Facility construction drawings, owner advisor/ construction management	General Fund	One-time	-	
Radio System Reliability Upgrd	Technology Service Fund	One-time	60,000	-
Radio System Support and Maintenance	Technology Service Fund	Ongoing	40,000	40,000
Temporary housing for Fire staff (interim housing during construction)	General Fund	One-time	-	
Wadsworth Underpass lighting	Capital Projects	One-time		100,000
Total			$ 20,388,308	$ 1,275,262

Traffic, Circulation, and Parking

Traffic, Circulation, and Parking

Description	Fund Title	One-time/ Ongoing	FY 2022	FY 2023
Parking acqusition for new parking inventory	Parking Enterprise Fund	One-time	$ 1,931,681	
Parking property paving	Parking Enterprise Fund	One-time	750,000	
Shell Beach 5,000 sq ft parking lot	Capital Projects	One-time		175,000
Signalize Bello/Price Canyn Rd	Capital Projects	One-time		600,000
Update Bike and Pedestrian plan to include e-bikes	Local Transportation	One-time	20,000	
Total			$ 2,701,681	$ 775,000

Water Supply, Conservation, and Central Coast Blue (Sustainability)

Water Supply, Conservation, and Central Coast Blue (Sustainability)

Description	Fund Title	One-time/ Ongoing	FY 2022	FY 2023
Automated water meter reading	Water Enterprise Fund	One-time	$ 50,000	
Central Coast Blue	Water Enterprise Fund	One-time		
Central Coast Blue	Wastewater Treatment Fun	One-time		
Central Coast Blue PR Marketing	Water Enterprise Fund	One-time	11,550	
Central Coast Blue PR Marketing	Wastewater Treatment Fun	One-time	23,450	
New Production Well	Water Construction Fund	One-time		500,000
Pacific Estates 2 Reservoir Maintenance	Water Construction Fund	One-time	109,300	
SCADA-automated security system	Water Enterprise Fund	One-time	50,000	
SCADA-automated security system	Wastewater Treatment Fun	One-time	50,000	
Shell Beach 1 Reservoir	Water Construction Fund	One-time	570,000	
Update the City wide Water Master plan (Every 5 years) & Resiliency Study	Water Enterprise Fund	One-time		250,000
Water Conservation Program	Water Enterprise Fund	One-time		-
Water line replacement	Water Construction Fund	One-time		410,800
Water supplies reserve	Water Construction Fund	Ongoing	150,000	150,000
Water WW Rate Study	Water Enterprise Fund	One-time		25,000
Water WW Rate Study	Wastewater Treatment Fun	One-time		25,000
Total			$ 1,014,300	$ 1,360,800

Summary of All Work Plans

Description	FY 2022	FY 2023
Community Character and Quality of Life for Residents	$ 8,432,050	$ 847,750
Public Safety	20,388,308	1,275,262
Traffic, Circulation, and Parking	2,701,681	775,000
Water Supply, Conservation, and Central Coast Blue (Sustainability)	1,014,300	1,360,800
Other Initiative	5,161,008	212,133
Grand Total	**$ 37,697,347**	**$ 4,470,945**

Major Department Work Plan Items in FY 2022 & FY 2023 Budget

Departmental work plan items for the FY 2022 and FY 2023 budget years were presented and discussed with the City Council at a public budget workshop on April 1, 2021 and May 13, 2021. Major work plan items, in addition to a list of the ongoing responsibilities of each department, can be found summarized below and also in detail within the department program sections of the budget document.

City Council - *General Fund*

- Implement Major City Goals and Priorities
- Continue California Cities involvement
- Continuous investment in city infrastructure
- Represent the City effectively on various regional boards and committees
- Enact state and federal legislative platforms

City Manager – *General Fund*

- **City Goals:** Implement Major City Goals and Priorities
- Continue California Cities involvement
- Continuous investment in city infrastructure
- Represent the City effectively on various regional boards and committees
- Enact state and federal legislative platforms
- **City Goal: Traffic, Circulation, & Parking** - Expand parking Inventory
- Continue to focus on cost-effective and efficient operations
- Develop new revenue opportunities
- **Work to accomplish progress and completion of City Council priority goals, including the City's Goals:**
  - **Water Supply, Conservation and Central Coast Blue**
  - **Public Safety**
  - **Traffic, Circulation, and Parking**
  - **Community Character and Quality of Life for Residents**
- Further develop meaningful and beneficial partnerships with other governmental, non-profit, and private entities.
- Ambitiously pursue grant opportunities
- Enhance quality of life for residents
- Continue development of an entrepreneurial and service-oriented staff culture
- Protect the City's economy
- Increase citizen engagement and public information

Management Services – *General Fund*

- Negotiate successor Memorandums of Understanding with both employee bargaining units and unrepresented employees
- Update City's Personnel Rules to reflect new laws and policies
- Evaluate and provide recommendations on the utilization of Channel 20 and development strategies for enhancements
- Complete aesthetic upgrades to Council Chamber
- Conduct 2022 General Municipal Election
- **City Goal: Public Safety** - Conduct a Request for Proposals for a Design/Build procurement of the Public Safety Facility construction
- Develop a supervisor and manager training program
- Continue paperless office strategy for human resource functions

Administrative Services

Finance – *General Fund*

- Administer a fiscally-sound Two-Year Budget maintaining the General Fund Reserve at 25% of General Fund operating budget expenses, maintaining the $250,000 Risk Management Reserve, maintaining the City Facility Reserve of $500,000, and fully funding the 4% General Fund Contingency Budget. The FY 2022 and FY 2023 reflect a 4% General Fund Contingency Budget to support unanticipated costs associated with several large General Fund supported projects.

- Develop and provide trainings related to finance for all City staff, including holding training sessions, developing a training manual, and creating financial how-to videos.
- Work with Planning Division staff to develop procedures for vacation rental and STR certificates and compliance.
- Move toward electronic timesheets, seeking vendors that will integrate with the City's financial system and meet City departmental needs.
- Conduct a TOT/LBID/TMD audit, including issuing a request for proposal, selecting a consultant, auditing the various lodging properties to ensure compliance with the City's TOT and LBID ordinances, report findings, and collect funds if needed.
- Update the City's user fees and cost allocation, including issuing a request for proposal, selecting a consultant, conducting a fee study, hold a public hearing, and implementing the new fees.

Information Technology (IT) – *Technology Services Fund*

- Purchase new Microsoft licensing for Windows Servers, Updating all Windows Servers to supported Operating System version
- Replace City Hall security cameras, interconnecting City Hall cameras with Police Department's security camera system
- **City Goal: Public Safety** - Negotiate radio system support contract. Response time in 4 hours
- **City Goal: Public Safety** - Design plan to reduce single points of failure in the City's radio system. Install planned for equipment. Purchase onsite spare equipment for critical components
- Install auditing software for active directory auditing
- **City Goal: Water Supply, Conservation, and Central Coast Blue** - Cybersecurity measures - integrity of the wireless radio is maintained, could put ph probe on water line, part of SCADA system and trigger alarm that water quality acidity or base is incorrect. Then, change the mix of City's water supply
- Create a new Five-Year Information Technology Strategic Plan and IT Assessment
- Provide annual security training and make available other software/database application training
- Complete the decommissioning of the wIntegrate system

Tourism & Events (TED) – *General Fund, LBID Fund*

Tourism

- Complete Certified Destination Management Executive program.
- Continue to participate in tourism trade shows and represent Pismo Beach, including International POW WOW Las Vegas, Go West Summit Portland, Visit CA Summit and Visit CA Media Events.
- Team up with TJA advertising for our 2021-2022 campaign; Promote the Drive is on to Pismo Beach. Work with the TMD SLO CAL on cooperative advertising tying into Visit California's California Road trip. Continue the #MyPISMOBEACH campaign by creating a video highlighting our three targeted demographics and updating the TED website and the billboard on Highway 101 marketing our pier and special events.
- Continue to oversee the Special Events Committee, streamline efforts where possible, annually evaluate the application process and fee schedule, and work with event organizers to see how the TED can partner and promote events that have a positive impact on our residents, staff, and our brand.
- Maximize stakeholder satisfaction with TED and the City by communicating quarterly on upcoming events, posting offseason specials, partnership opportunities and on any items that may have an impact on local business.
- Maintain a presence with local, regional, state, national and international organizations and maximize networking benefits with Pismo Beach Chamber of Commerce, SLO CAL, Central Coast Tourism Council, Visit California, California Lodging Industry Association, US Travel (ESTO) and Destination International.
- Continue management and oversight of City Recreation and Visitor Events. Work closely with Recreation Supervisor to provide support and leadership.
- Develop staff in their abilities to manage multiple tasks, expand their roles and provide a positive team-oriented leadership approach.

Recreation

- **City Goal: Community Character and Quality of Life for Residents** - Be the leader for healthy living in our community by creating physical activity and play opportunities for Recreation.
- **City Goal: Community Character and Quality of Life for Residents** - Continue to provide high quality recreation programs throughout the community that are fun, educational, accessible, and safe for people of all ages and abilities.
- **City Goal: Community Character and Quality of Life for Residents** - Evaluate the needs and effectiveness of programs through surveys and evaluation forms to identify community interests relating to programs, services, and new opportunities.

- **City Goal: Community Character and Quality of Life for Residents** - Continue to create public art opportunities throughout the community and continue to develop a clear structure for implementation of the Public Art Master Plan between internal departments. Establish a funding source for the Public Art Program that would not only allow for new projects but maintenance also.
- **City Goal: Community Character and Quality of Life for Residents** - Complete the following public art projects: Bello St. Bridge, St. Jude's Tunnel, Palisades Basketball Court Mural, additional Utility Boxes throughout Shell Beach Streetscape.
- Complete inventory assessment of current adopt a bench program. Establish with public works a replacement schedule.
- Expand recreational programming throughout the community.
- **City Goal: Community Character and Quality of Life for Residents** - ACTIVE – complete active registration/software training on updating existing programs and adding facility module.
- Develop and implement effective marketing strategies to build awareness of programs and events and the benefits of parks and recreation.
- **City Goal: Community Character and Quality of Life for Residents** - Assess the needs of parks and facilities, continue to complete CIP for new playgrounds at Palisades, Chumash, Highland, Spyglass picnic shelter, Margo Dodd Gazebo and ensure the facilities are in good working order.

Community Development – *General Fund*

Planning

- **City Goal: Community Character and Quality of Life for Residents -** General Plan/Local Coastal Plan Update.
- 6th Cycle Housing Element implementation.
- **City Goal: Community Character and Quality of Life for Residents -** Provide superior customer service through digital plan submittal.
- **City Goal: Community Character and Quality of Life for Residents** - Implement digital plan review.
- Create and revise planning-related handouts, as necessary.

Building

- Prepare and process adoption of the 2022 California Construction Codes.
- Continue to provide a high level of customer service with aggressive turn-around times.
- Process an estimated 1,000 building permits and conduct corresponding inspections.
- Ensure appropriate staff training and certifications.
- Create appropriate construction-related handouts.

Public Works

Engineering Division - *Various Funds*

- Pismo Storm Drain Project (In Progress)
- **City Goal: Water Supply, Conservation, and Central Coast Blue** - Central Coast Blue (In Progress)
- Bello Bridge Project (In Progress)
- Park Sign Update (In Progress)
- Price Historical Park Sign (In Progress)
- Ocean Boulevard Improvement Project
- Dinosaur Caves/Price Historical Park Restroom Project
- **City Goal: Water Supply, Conservation, and Central Coast Blue** - Shell Beach Reservoir I Replacement
- Price Canyon Slope Repair
- Corporation Yard and City Hall Remodel

Public Facilities – *Various Funds*

- Remove and replace Dinosaur Caves Park restroom, relocate to Price Historic Park
- Bello Vets Hall Repairs
- Paint Shell Beach Vets Hall Exterior
- Replace Beach Wheelchairs

Water - City Goal: Water Supply, Conservation, and Central Coast Blue – *Wastewater Enterprise Fund*

- Central Coast Blue (in progress)
- Smart water meters
- Five Cities Drive waterline replacement
- Reservoir maintenance

- Ocean View Avenue waterline upgrade
- Urban Water Master Plan update (In progress)
- Charles Street Reservoir replacement

Wastewater – *Wastewater Enterprise Fund*
- Inflow and infiltration
- Grit removal
- Wastewater system pump replacement
- Toucan Terrace sewer trestle rehabilitation
- Vista Del Mar Lift Station generator

Police Department – *General Fund*

Police Operations and Support - City Goal: Public Safety
- Continued Community Camera Program expansion
- Employee early warning system software
- Criminal investigation online law enforcement data sharing network
- Community Service Technician Program
- Electric Parking Bureau Enforcement and Collection Vehicle
- Primary Weapon System Upgrade

Parking - *Parking Enterprise Fund,* **City Goal: Traffic, Circulation, and Parking**
- Complete the Parking Management Plan
- Establish a dynamic sign plan
- Implement electronic citation capabilities with current vendor (through existing software company)
- Improve citation records system and fine collection solution
- Continue to identify opportunities for additional parking
- Purchase a parking enforcement vehicle
- Purchase and install license plate reader (LPR) technology for the parking enforcement vehicle
- Establish monthly maintenance contract for parking meters

Fire Department – *General Fund*

City Goal: Public Safety
- Continue to work with City staff on City Council's direction for a new Emergency Services facility
- Replace Fire Utility vehicle
- Replace Fire Engine
- Replace Lifeguard Tower
- Update State Typing of Rescue 64
- Complete replacement of the last outdated Automated External Defibrillator
- Review high-risk areas within the City requiring fuel reduction to reduce impact from a damaging wildfire
- Continue Vegetation Management Projects (VMP) including Regional Projects for: Bluffs/Cave VMP; Chumash Park VMP; Ontario VMP; Pismo Preserve VMP; Price Canyon VMP; Squire/Shell Beach tie-in; Lighthouse RX; Gragg Canyon VMP and RX

Major Changes in Budget

The following items are a brief description of major changes in the Adopted Budget as compared to the previous years' budgets:

1. Ensuring a Sustainable Water Supply: The City continues to improve the its water supply, including water conservation, with special focus on implementation of Central Coast Blue, confirming commitments from partner agencies, and public outreach and education, as well as including funding in the Adopted Budget for:
    - Continuing the planning, design, and public outreach for the Central Coast Blue Project
    - Updating the City-wide Water Master Plan
    - Implementing SCADA cyber security measures
    - Replacing the Shell Beach 1 Reservoir
    - Performing maintenance on the Pacific Estates 2 Reservoir
    - Funding the water conservation program to provide incentives for and information about water conservation
    - Establishing a new water supplies reserve
    - Constructing a new production well
    - Updating the City's water and wastewater rate study

2. Infrastructure Maintenance and Beautification: The City continues its efforts to keep the downtown attractive and prosperous, with special focus on neighborhoods, building community, and quality of life, including funding in the Adopted Budget for:
    - Paving streets in the largest City-wide paving project in history
    - Implementing various park and community amenities, including: litter removal, playground replacements, bike repair stands, water bottle filling stations, pedestrian paths, and park sign updates
    - Increased sidewalk, park, and street maintenance services
    - Neighborhood resident events, outdoor performances, senior social at mobile home parks
    - Local coastal plan update
    - James Way beautification
    - Electronic plan checks for improved customer service
    - New Spyglass dog park
    - Price Historical Park improvements

3. Housing, Health, and Safety: The City continues to focus on ensuring that its neighborhoods, businesses, parks, and beaches are safe for all residents and visitors. The Adopted Budget includes the following housing, health, and safety changes:
    - Public Safety Facility construction
    - Bluff protection warning signage
    - Community camera program
    - Fire Department AED replacement and public access AEDs
    - Code compliance at City parks
    - Wadsworth underpass lighting
    - Radio system upgrade
    - Primary weapons system upgrade for accuracy
    - Update bike and pedestrian plan to include e-bikes

4. Preservation of essential services and fiscal health: The Adopted Budget is a structurally-balanced budget that retains the City's fiscal health, preserves essential services, and implements long-term productivity improvements and cost-reduction strategies. The budget includes:
    - Support for capital projects with available fund balances based on a new 10-Year Capital Improvement Plan
    - Securing the City's information through investments in cloud and virtual servers and enterprise-class data storage systems, and improving the City's records management system for better disaster recovery
    - Fully funding the General Fund Reserves and other Water and Wastewater emergency capital reserves
    - Increasing the General Fund contingency from 1% to 4% during FY 2022 and FY 2023 to support various large capital projects that may exceed their contingency budget
    - Setting aside $2.0 million for a Budget Stabilization set-aside

- Setting aside $1.0 million in FY 2022 and FY 2023 for a CalPERS prepayment to reduce the City's unfunded pension liability

5. Economic Development: The Adopted Budget includes additional funds to support economic development, including:
   - Operating and managing the Visitor Information Kiosk (VIK) and supporting the two vending Airstreams on the Pier
   - Operating and managing the July 4th fireworks festival, Clam Festival, 75th Anniversary gala, Band Review, and other special events
   - Updating the General Plan/Local Coast Plan

Accomplishments in Prior Two-Year Budget

The City was able to achieve and accomplish many of the Council's FY 2020 and FY 2021 goals during the past two years. The key accomplishments, summarized by department, can be found below and are also detailed within the department program sections of the budget document.

City Council

- Improved Traffic Circulation
- Downtown Revitalization
- Continued Planning for Central Coast Blue
- Continued California Cities involvement
- Continuous investment in City infrastructure maintenance and improvements
- Maintained strong financial position
- Continued to set ambitious goals and vision for the City

City Manager

- Completed Major City Goals and Priorities
- Continued League of California Cities involvement to advocate for best interests of the City
- Ensured and protected the City's strong financial position
- Represented the City effectively on various regional boards and committees
- Enacted state and federal legislative platforms
- Maintained a strong, productive, and customer service-oriented workforce
- Secured additional Title XVI Federal Grant Funding for Central Coast Blue
- Led the organization through COVID-19 emergency response and recovery

Management Services

- Completed the preliminary design for Old City Hall/future Public Safety Facility
- Completed the FY 2022 and FY 2023 Public Outreach program through the utilization of *Pismo Voice*, information sessions, and traditional mail-in responses
- Completed Risk Management project to update contract language in the City's templates to transfer risk and ensure compliance with legal requirements
- Developed Standard Operating Procedures for the human resource functions and training new staff in implementation
- Conducted 2020 General Municipal Election, including a voter-approved ballot measure
- Updated the Advisory Body Handbook, Bylaws, and training to include new Council-adopted policies on training and attendance standards
- Negotiated successor Memorandum of Understanding with labor groups
- Redesigned the City's website for enhanced transparency and customer service

Administrative Services Department

Finance

- City Council and City staff achieved a fiscally sound two-year Budget for FY 2020 and FY 2021. The FY 2020 and FY 2021 Adopted Budgets marks the third time the City received the "Distinguished Budget Presentation Award" from the Government Finance Officers Association (GFOA) of the United States and Canada. The City also received the "Operating Budget Excellence Award" from the California Society of Municipal Finance Officers for the FY 2020 & FY 2021 Adopted Budgets.
- The City Council and City staff maintained the City's General Fund reserves at 25% of General Fund operating budget expenses. In addition, the General Fund fully contributed to the Risk Management Reserve that has a balance of $250,000. The City maintained the City Facility Reserve of $500,000, and fully funded a 3% General Fund Contingency Budget.
- Received the prestigious "Certificate of Achievement for Excellence in Financial Reporting" by the Government Finance Officers Association (GFOA) of the United States and Canada to government units whose Comprehensive Annual Financial Reports (CAFRs) achieved the highest standards in government accounting and financial reporting for FY 2019 and FY 2020. This marks the 19th year in a row that the City has received this award.
- Updated the Governmental Accounting Standards Board (GASB) measures into the City's Comprehensive Annual Financial Reports, for Accounting and Financial Reporting

- Monitored the City's cash flow with large capital project budgets
- Achieved compliance with GASB 45 for OPEB
- Updated the City's Purchasing Policy
- Maintained compliance with various federal and state agencies for the City's debt portfolio and investment practice

Technology

- Implemented a new City-wide surveillance system for the Police Department, including the Police Station and the Pier and Pier Plaza areas
- Upgraded the Microsoft Office applications on all City workstations and deployed OneDrive as a cloud-based file storage system
- Moved several Departments to SharePoint
- Implemented Microsoft Teams as the City's primary phone system
- Replaced the network switch stack at City Hall
- Continue to improve the automation of the City's paperless workflows by adding integrations to other City applications
- Provide IT training including Microsoft Office, Laserfiche, and cybersecurity
- Provide for annual computer workstation replacements

Tourism & Events Department (TED)

Tourism

- Collaborated with TJA Advertising to produce and air a virtual Clam Festival
- Managed and executed City of Pismo Beach 75th Anniversary event
- Placed converted airstreams on the pier. Worked with Sheldon and Appiano families to create the new Bait Shack and Sunset food trucks. Created and staffed Visitor Information Kiosk for guest service
- Trained and developed the TED staff to accomplish 2020-2021 goals by separating responsibilities, planning, and organizing all activities leading up to the events
- Continued with Special Event Committee administrative functions and Chair position as well as TED Advisory Committee meetings
- Identified Legacy Events as a tool to schedule events that benefit our residents, staffing and brand
- Wrote new guidelines on approving and denying Special Events
- Increased market research through use of weekly and monthly STR Reports and continued website and social media analysis. Ran cooperative research with SLO CAL Oxford Economics
- Participated in tourism trade shows where we represented Pismo Beach, including International POW WOW, Go West Summit, San Diego Travel & Adventure Shows, Visit California Summit CXL and Destination International's Certified Destination Marketing Executive training
- Participated in gaining the support of an additional 1% LBID assessment funding to help finish the Pismo Preserve and other tourism enhancement infrastructure for the City
- Improved the promotional event funding application process and sponsorship tier levels, focusing on off-season events that benefit LBID
- Worked with City Manager on TOT increase advocacy
- Hired and coordinated Clam painters for Clam Island and Highway 1 Clams

Recreation

- Provided high quality recreation programs throughout the community that are fun, educational, accessible, and safe for people of all ages and abilities
- Successful recreation programming and events for FY/2020. All recreational programming prior to COVID-19 were at maximum capacity. These programs included Pumpkins in the Park, Holiday Harmony, Father Daughter Dance, and spring/ summer programming. Outdoor programming for youth/adults began in June
- Adapted FY 2021 recreational special events to keep the community involved even with COVID-19 restrictions. Events included Virtual Pumpkin Decorating Contest, Holiday Harmony Jingle Express Drive-Thru, Virtual Father Daughter Dance Competition, Egg-citing Egg Decorating Contest and Community Art in the Park
- Recreation continued programming during COVID-19 which included adult outdoor fitness and youth camps such as art, volleyball, surf, ocean adventure, ocean explorer, baseball, tennis, pickleball, and ceramics
- Recreation completed renovation of pickleball/tennis courts at Palisades complex
- Administered Public Art Program throughout the city; included Shell Beach Streetscape Mosaics, Stop Sign Poles, Utility Boxes, Pismo Plaza Mosaic Murals, etc

- Oversaw PRBC commission, which currently worked on all completed public art projects as well as proposed planned projects

Community Development Department

Planning

- 5th Cycle Housing Element approved and certified by Department of Housing and Community Development
- 6th Cycle Housing Element approved and certified by Department of Housing and Community Development
- Accessory Dwelling Unit Ordinance update approved and certified by the California Coastal Commission
- Completed Lower-Cost Visitor Serving Accommodations Study
- Completed Sea Level Rise Adaptation Plan
- Environmental Impact Report for Central Coast Blue certified by the City Council

Building

- Prepared and processed adoption of the 2019 California Construction Codes
- Recruited and began training of a new permit technician
- Switched to electronic submittals to accommodate COVID-19 restrictions
- Continued providing exceptional inspection services throughout the COVID-19 pandemic
- Completed inspection of new beachfront hotel

Public Works

Engineering Division

- Water Master Plan Update
- Systemic Safety Analysis Report
- Speed Survey Update
- Pavement Management System Update
- Pier Plaza
- Shell Beach Streetscape
- Five Cities Lift Station
- Lift Station Maintenance
- Corporation Yard Fuel Tank
- 2020 Paving Project
- Mattie Road Sidewalk Extension

Public Facilities

- Added play equipment to Dinosaur Caves Park
- Completed bluff inspections
- Shell Beach/Pismo Beach Pedestrian and Bicycle Access and Streetscape
- Spyglass Park parking lot rehabilitation
- Replace Spyglass Park play equipment
- Resurface/restripe Shell Beach Tennis Courts
- Re-roof Police Department and Fire Department

Water

- Water Master Plan

Wastewater

- Five Cities Lift Station Replacement
- Lift Station Maintenance Project
- Sewer System Management Plan

Police Department

Police Operations and Support

- Community Camera (ComCam) Program expansion. CALEA re-accreditation
- Communication Center accreditation
- Technology replacement. Police Station security surveillance system
- Assembly Bill 748 compliance software

- Communication Center services contract

Parking

- Implemented single-space meter expansion
- Updated parking rate schedule for parking management
- Processed new parking solutions vendor and deployed new systems
- Research and Develop Smart Parking availability locator

Fire Department

- Explored funding options and completed a scoping study for a new fire station and pursue development of the most appropriate facility
- Replaced Rescue Watercraft
- Replaced Junior Lifeguard Program Trailer
- Lead Lifeguard Retention Program
- Obtained a grant and purchased 4 Communication kits
- Implemented Vegetation Management Projects for: Avila Fire rehab, Cave/Bluffs, Chumash Park, Coral Court, Frady/CALTRANS, Heights Escape Route thinning, Pismo Preserve, and Price House

Economic/Policy/Legislative Issues Facing the City

The following are some of the major economic and legislative issues impacting the City:

Economic Issues

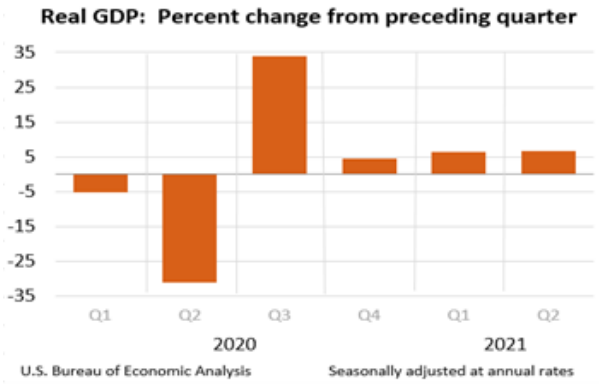
US Economy

The U.S. economic outlook is improving for the next two budget years according to key economic indicators.

Looking back at calendar year 2020 and the first half of 2021, due to the COVID-19 global pandemic, calendar year 2020 included sharp declines of (31.4)% in the second quarter compared to the preceding quarter, a rebound of 33.8% in the third quarter compared to the second quarter, and finally recovery of 4.5% in the fourth quarter compared to the preceding quarter of nation's real Gross Domestic Product (GDP). GDP is the total value of goods produced and services provided in a country in one year. GDP growth is how much the economy produced compared to the previous year. Overall, economic activity and employment have continued to improve. The sectors most negatively impacted by the pandemic have improved, but not fully recovered. In comparison to the Great Recession between December 2007 to June 2009, the GDP took three and a half years to recover a reduction of 3.8%.

Looking on to the rest of 2021 and calendar years 2022 and 2023, the Federal Open Market Committee (FOMC) released its June 16, 2021 economic projections, which indicate that, barring other economic shocks to the system, the U.S. economy is estimated to grow at a rate of 7.0% in 2021, 3.3% in 2022, and 2.4% in 2023. According to the FOMC, GDP growth between 2.0% to 3.0% per year is the ideal range. This assumption includes continued progress on vaccines and may change based on the path of the pandemic.

The Committee also sees improvements in the national unemployment rate, currently 4.6% in July 2021, and slightly decreasing to 3.8% and 3.5% in 2022 and 2023, respectively. The normal range for the unemployment rate is based on the composition of the labor force and the demand and supply of workers. The FOMC estimates that the normal unemployment rate is between 3.6% and 4.5%. Finally, the FOMC projects that personal consumption expenditures (PCE) inflation will be 3.4% in 2021, 2.1% in 2022, and 2.2% in 2023. PCE inflation is the main measure of inflation used by the FOMC to capture the prices that people pay for goods and services, including health care costs. The FOMC sets monetary policy by reviewing the rate of inflation, seeking to achieve inflation at the rate of 2.0% over the long run. Based on the June 16, 2021 FOMC economic projections, the Committee is projected to raise the federal funds rate to 0.125% in 2021, potentially increase this rate in 2022, and more likely raise the rate another 0.5% in 2023.
Included in these assumptions is the trillions of dollars of federal stimulus funds to help stimulate the economy and mitigate the negative economic impacts of the pandemic. These efforts should help the economy to expand and continue to grow.
In summary, the U.S. economic outlook for FY 2022 and FY 2023 is positive and expanding, but could change based on the pace of vaccinations and the path of the pandemic.



State of California Economy

According to the California Department of Finance's economic projections from April 2021, California consumer price index for urban consumers (CPI-U) is expected to grow by 2.3% in FY 2022 compared to FY 2021 and grow by 2.5% in FY 2023 compared to FY 2022. This is compared to the projected FY 2021 growth from the previous year of 2.0%. The state's fiscal health is currently positive and the future-year outlook continues to demonstrate economic growth. Overall, **employment is projected to grow** by 1.8% in FY 2022 and 1.0% in FY 2023 reflecting a projected unemployment rate of 5.8% and 4.8%, respectively for FY 2022 and FY 2023, higher than the projected national average. **Personal income is expected to grow** by 0.3% in 2022 compared to 2021 and 4.6% in 2023 compared to 2022. This is on top of a projected 4.0% increase in 2021 compared to 2020 personal income.

California Tourism Trends

The City of Pismo Beach is heavily reliant upon tourism to the city. The City's General Fund (the City's largest and most discretionary fund) is made up of 51% TOT revenues, which is an 11% tax on gross rent for stays of 30 consecutive days or less at various lodging properties. In addition, part of the City's sales & use tax revenues come from visitors shopping, dining, buying fuel at service stations, and buying general consumer goods in Pismo Beach.

The California travel and tourism industry continues to show solid growth. According to Tourism Economics' *California Visits and Spending Forecast Update* from July 2021 **total visitors to California are expected to grow by about 25% in 2022 compared to 2021 and 7% in 2023 compared to 2022**. Estimated total expenditures in California from these visitors is expected to increase by 22% in 2022 and 7% in 2023 for domestic travelers. These large growth rates are expected to exceed 2019 travel levels and spending during 2021. **Visitors to Pismo Beach could follow this path, but it is also possible that more travel will occur in larger California cities as COVID-19 cases decrease.**

City of Pismo Beach Economy

The City of Pismo Beach is subject to the same economic impacts of the U.S. and the State of California. However, Pismo Beach is more reliant upon tourism compared to the average city. The City's primary visitors come from the San Joaquin Valley, who visit the city largely during the summer to escape the extreme heat in the valley. With these annual visitors, the City enjoys a stable base of visitors. After the initial impact of the stay-at-home orders in March 2020 to help mitigate the negative impact of the COVID-19 global pandemic, Pismo Beach was able to rebound rather quickly due to new visitors looking for a safe place to travel and enjoy the plethora of outdoor activities including the sandy beach and year-round mild temperatures, the Pismo Preserve, and the new Pier Plaza. In fact, Pismo Beach continues to lead the way in San Luis Obispo County for tourism and hospitality. According to PKF Consulting, RevPAR (or hotel revenue per available room) in Pismo Beach decreased by 9.0% in FY 2020 compared to FY 2019. This decrease reflects the stay-at-home orders and reduced travel and tourism starting in March 2020. RevPAR rebounded by 21.0% during FY 2021 compared to FY 2020, largely due to average daily room rates increasing by 18.1%, to $219, offset by occupancy rates decreasing 0.7% in FY 2021 compared to FY 2020. Looking forward to FY 2022 and FY 2023, staff anticipates continued growth, but at a much slower pace, about 3.5% in FY 2022 and 3.0% in FY 2023 as children go back to school in person and the nation continues to see COVID-19 cases decline.

City's Response to Economic Issues

In response to these economic issues, the City's Adopted Budget includes conservative revenue projections, fully funds its reserves, includes a Budget Stabilization Reserve to help weather reduced revenues during a recession, and continues to pay down its CalPERS unfunded pension liability with one-time prepayments. In addition, the City's Adopted Budget includes measures to maintain the City's strong financial position. The budget includes infrastructure investments and other investments in the community and provides support for the City's effective team, while setting aside funds for a rainy day in the event of economic challenges.

In addition, the City's Lodging Business Improvement District collects 1% of gross lodging revenues and uses those funds to promote the Pismo Beach lodging industry. The City uses these funds to open new tourism markets, focusing on getting the most use out of its funds and creating a unique experience for its visitors. The LBID collects another 1% of gross lodging revenues to support visitor serving improvements, including the Pismo Preserve, the now complete Pier Plaza/Parking Lot Upgrade Project, the upcoming pedestrian connection under the Highway 101 at Spyglass Drive for the Pismo Preserve entrance, and future projects.

Policy & Legislative Issues and City's Response

Policy Issues and City's Response

COVID-19 Global Pandemic

During the COVID-19 global pandemic, the City was and continues to be proactive in its response while still following public health orders, including reaching out to listen and respond to the business leaders in the community, providing and facilitating outdoor public spaces to enhance social distancing, implementing a mask ordinance for City businesses to ensure public safety, providing hand sanitizer and face coverings to visitors, directing residents to County and State COVID-19 related assistance, and reducing the City's budget to ensure financial stability. As visitors came back to the City in June 2020, the Council quickly pivoted to addressing outdoor dining, related trash concerns, and continued assistance for those impacted by COVID-19 financially. The City continues to thrive as visitors enjoy the City's sandy beaches, lodging properties, restaurants, the Pismo Preserve, and other COVID-19 safe activities.

Due to the COVID-19 global pandemic, the City is experiencing challenges with hiring the best people to take its services to the next level. However, with new focus on this effort and available financial resources, staff is determined to hire only the best for our residents.

City Council's Fiscal Policies and Policy Decisions – Enable Strong Financial Status, Employee Relations, Community Partnerships

The Council's fiscal policies and policy decisions have allowed the City's financial status to exceed the healthy financial position forecasted during the last two-year budget cycle. In addition to the City's strong financial status, our employee culture is positive and collaborative, and employee relations are excellent. We also appreciate our beneficial working relationships with the private sector and our community partners. Staff continues to work closely and hold meetings with the Pismo Beach Chamber of Commerce and the South County Chamber of Commerce to address outstanding issues such as outdoor dining, homeless issues, COVID-19 related impacts, and other current topics.

Legislative Issues

CalPERS Unfunded Liability

The City of Pismo Beach provides retirement benefits for full-time employees through CalPERS. As of June 2021, CalPERS has 82% of the funds required to pay estimated retirement benefits. Although the funded rate is a moving target depending on the amount of contributions into CalPERS and the market value of CalPERS investments, an 85% to 90% funded rate would allow CalPERS to support current and future retirement benefits, while a 50% funded rate could mean that the pension system may not be able to deliver promised benefits. There are several factors contributing to the underfunding of the CalPERS system, the largest of which is investment performance in the past two national recessions, prior to the COVID-19 global pandemic. Although the 2013 pension reform and CalPERS' more conservative investment changes have reduced the potential for further decline in CalPERS funded status, there still remain large unfunded accrued liabilities (UAL) from promised defined benefits compared to the fiscal health of the CalPERS system.

The City of Pismo Beach has taken a proactive approach to managing the City's UAL, which is essentially debt with a 7.0% interest rate. The most significant elements of the City's management of these costs are maintaining level staffing and budgeting conservatively. The City Council also contributed $3 million towards its UAL, saving hundreds of thousands in interest costs, renegotiated new retirement tiers, and increased employee contributions. However, the City's funded status still hovers around the 75% mark as of the June 30, 2019 data, which is included in the July 2020 CalPERS actuarial valuation. The City's total UAL for all plans is $17.93 million as of June 30, 2019.

As of July 12, 2021, CalPERS reported a 21.3% net return on investments for FY 2021. Based on a 2015 CalPERS Board of Administration policy, double digit returns trigger a reduction in the discount rate from 7.0% to 6.8% to calculate employer and Public Employees' Pension Reform Act (PEPRA) member contributions.

The Adopted Budget includes a $1.00 million prepayment in FY 2022 and FY 2023 to help reduce the City's UAL, including directly reducing interest payments to reduce the City's ongoing costs.

Other Challenges

Other potential challenges that are facing the City are:

- **Americans with Disabilities Act (ADA) improvements**: The City is making significant strides toward upgrading disability access improvements throughout the City. The budget includes various ADA improvements in all new capital projects (about 10% of all applicable capital projects include these improvements), and continues work on existing structures to make them more accessible to the public.
- **Water Supply**: The City continues to be water-supply conscious due to the most recent drought, and took measured actions to deal with the drought, including a three-tiered system of building restrictions depending on the City's total water supply.

The City has a diverse water supply, pulling from three sources:

City of Pismo Beach Water Sources

Water Source	Percentage of Water Supply	Acre Feet/Year	Gallons of Water (millions)
State Water	41%	1,100	358
Lopez Lake Reservoir	33%	892	291
Santa Maria Ground Water Basin	26%	700	228

This Adopted Budget includes studies to move toward building a sustainable water supply for the future. The budget includes substantial investments toward the Central Coast Blue Project, a regional water sustainability project that is proposed to create a new, high-quality, and reliable water supply for the City of Pismo Beach and Grover Beach. Currently, the Cities are designing and building a new advanced water purification facility to create a high-quality water source to supplement local groundwater supplies, with Pismo Beach serving as the lead agency. This project will allow both communities to have sufficient supplies even in times of water shortage or drought. These funds are used to support various environmental studies associated with a regional recycled water treatment plant, permitting, planning, designing, and garnering financial support from the federal and state governments. The overall cost of this project is expected to be $80.3 million, which includes projected $26.6 million in State Water Resource Control Board Prop 1 Groundwater Planning grants, $52.9 million in Clean Water State Revolving Fund financing, and $0.8 million of in kind contributions.

City Staffing

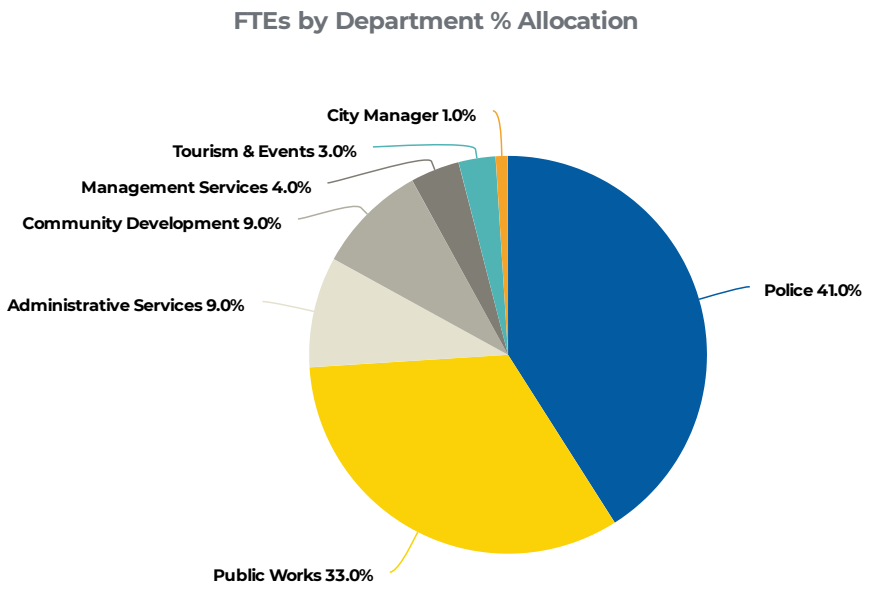
Number of City FTE Positions: Staffing resources are an integral part of the City's two-year budget. The current number of budgeted permanent full time equivalent (FTE) positions in FY 2022 and FY 2023 is 92. The FY 2022 and FY 2023 budgeted FTEs are 4 FTEs greater than the FY 2021 budget.

Personnel Changes

The City added 1 FTE Maintenance Worker I in the Public Works Department to assist with keeping the Downtown Pier Plaza area clean for visitors, including picking up litter, wiping down tables, emptying trash cans, sweeping sand from the plaza area, ensuring the restrooms are clean and stocked, and operating a floor scrubber to clean the pavers.

The City also added 3 FTE Dispatchers to assist with dispatching for the City of Grover Beach. With the City of Pismo Beach's Police Department earning the Commission on Accreditation for Law Enforcement Agencies (CALEA) Communication Center being nationally accredited as of 2020, and with Grover Beach's staffing issues in their own communication center, both Grover Beach and Pismo Beach agreed that Pismo Beach would dispatch for the City of Grover Beach beginning FY 2022. These dispatchers would increase Pismo Beach's dispatchers to 9 positions (from 6 positions) to meet minimum staffing and to assist and cover shifts during medical, personal, or benefitted time off with the minimum amount of overtime needed. This staffing level would allow Pismo Beach Police Department to staff a communication center safely and efficiently for an additional city of similar calls for service. In an agreement with Grover Beach, Grover Beach will be paying the City for this service.

A summary of FTEs by Department is provided in the following chart and tables.



Comparative Budgeted Staffing Levels

COMPARATIVE BUDGETED STAFFING FY 2018 THROUGH 2023 - ALL FUNDS

POSITIONS	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
City Manager	1.00	1.00	1.00	1.00	1.00	1.00
Executive Assistant	1.00	0.00	0.00	0.00	0.00	0.00
Management Analyst	0.00	1.00	0.33	0.33	0.15	0.15
Administrative Assistant	0.00	0.00	0.00	0.00	0.20	0.20
City Manager Department Total	2.00	2.00	1.33	1.33	1.35	1.35
Assistant City Manager/						
Management Services Director	1.00	1.00	1.00	1.00	1.00	1.00
Management Analyst	0.00	0.00	0.67	0.67	0.85	0.85
City Clerk	1.00	1.00	1.00	1.00	1.00	1.00
Deputy City Clerk	0.00	0.00	0.00	0.00	0.00	0.00
Administrative Assistant	1.00	1.00	1.00	1.00	0.80	0.80
Management Services Department Total	3.00	3.00	3.67	3.67	3.65	3.65
Tourism & Events Director	0.00	0.00	1.00	1.00	1.00	1.00
CVB Director	1.00	1.00	0.00	0.00	0.00	0.00
CVB Tourism Coordinator	1.00	1.00	1.00	1.00	1.00	1.00
Recreation Manager	0.00	0.00	0.00	0.00	1.00	1.00
Tourism & Events Department Total	2.00	2.00	2.00	2.00	3.00	3.00
Administrative Services Director	1.00	1.00	1.00	1.00	1.00	1.00
Finance Manager	1.00	1.00	1.00	1.00	1.00	1.00
IT Manager	1.00	1.00	1.00	1.00	1.00	1.00
Accounting Supervisor/ Sr Management Analyst	1.00	1.00	1.00	1.00	1.00	1.00
Account Technician	1.00	1.00	1.00	1.00	1.00	1.00
Accounting Clerk	2.00	2.00	2.00	2.00	3.00	3.00
Office Assistant II	1.00	1.00	1.00	1.00	0.00	0.00
Administrative Services Department Total	8.00	8.00	8.00	8.00	8.00	8.00
Police Chief	1.00	1.00	1.00	1.00	1.00	1.00
Police Commander	2.00	2.00	2.00	2.00	2.00	2.00
Parking Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Secretary	1.00	1.00	1.00	1.00	1.00	1.00
Police Corporal	3.00	3.00	4.00	4.00	4.00	4.00
Police Sergeant	5.00	5.00	5.00	5.00	5.00	5.00
Police Officer	11.00	11.00	10.00	10.00	10.00	10.00
Police Officer - Grant	1.00	1.00	1.00	1.00	1.00	1.00
Community Services Officer	1.00	1.00	1.00	1.00	1.00	1.00
Support Services Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Crime Analyst	0.00	0.00	1.00	1.00	1.00	1.00
Dispatcher/Records Technician	8.00	8.00	7.00	7.00	9.00	9.00
Senior Public Safety Dispatcher	0.00	0.00	0.00	0.00	1.00	1.00
POLICE TOTAL:	35.00	35.00	35.00	35.00	38.00	38.00

POSITIONS	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Community Development Director	1.00	1.00	1.00	1.00	1.00	1.00
Building Official	1.00	1.00	1.00	1.00	1.00	1.00
Building Inspector I	0.00	0.00	0.00	0.00	0.00	0.00
Building Inspector II	1.00	1.00	1.00	1.00	1.00	1.00
Building Permit Technician	1.00	1.00	1.00	1.00	1.00	1.00
Planning Manager	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Secretary	1.00	1.00	1.00	1.00	1.00	1.00
Associate Planner	2.00	2.00	2.00	2.00	2.00	2.00
Recreation Manager	1.00	1.00	1.00	1.00	0.00	0.00
COMMUNITY DEV TOTAL:	9.00	9.00	9.00	9.00	8.00	8.00
Public Works Director/City Engineer	1.00	1.00	1.00	1.00	1.00	1.00
Senior Engineer	1.00	1.00	1.00	1.00	1.00	1.00
Engineer	1.00	1.00	1.00	1.00	1.00	1.00
Associate Civil Engineer	0.00	0.00	0.00	0.00	0.00	0.00
Management Analyst	0.00	0.00	1.00	1.00	1.00	1.00
Administrative Secretary	2.00	2.00	1.00	1.00	1.00	1.00
Engineering Technician	1.00	1.00	1.00	1.00	1.00	1.00
Utilities Manager	1.00	1.00	1.00	1.00	1.00	1.00
Facilities Manager	1.00	1.00	1.00	1.00	1.00	1.00
Public Works Superintendent	0.00	0.00	0.00	0.00	0.00	0.00
Public Works Facilities Supervisor	0.00	0.00	0.00	0.00	0.00	0.00
Lead Worker Streets/Govt Build.	1.00	1.00	1.00	1.00	1.00	1.00
Lead Worker Parks	1.00	1.00	1.00	1.00	1.00	1.00
Maintenance Worker II	4.00	4.00	4.00	4.00	4.00	4.00
Maintenance Worker I	4.00	4.00	4.00	4.00	5.00	5.00
Water System Supervisor	0.00	0.00	0.00	0.00	0.00	0.00
Lead Worker Water	1.00	1.00	1.00	1.00	1.00	1.00
Water Operator I	2.00	2.00	2.00	2.00	2.00	2.00
Water Operator II	1.00	1.00	1.00	1.00	1.00	1.00
Wastewater Ops Supervisor	0.00	0.00	0.00	0.00	0.00	0.00
Lead Worker Wastewater	1.00	1.00	1.00	1.00	1.00	1.00
WWTP Mechanic	0.00	0.00	0.00	0.00	0.00	0.00
Treatment Plant Operator II	4.00	4.00	4.00	4.00	4.00	4.00
Treatment Plant Operator I	0.00	0.00	0.00	0.00	0.00	0.00
Regulatory Compliance	1.00	1.00	1.00	1.00	1.00	1.00
Fleet Mechanic	1.00	1.00	1.00	1.00	1.00	1.00
PUBLIC WORKS TOTAL:	29.00	29.00	29.00	29.00	30.00	30.00
TOTAL ALL CITY:	**88.00**	**88.00**	**88.00**	**88.00**	**92.00**	**92.00**

Personnel Costs

Personnel costs: Salary and benefit summaries are provided in the following tables and can also be found in the Departments section of this document.

Employee Compensation and Benefits: There are two union-represented groups in the City: the Police Officers Association (POA) for sworn and non-sworn "Safety Police" employees; and Service Employees International Union (SEIU), Local 620, for "Miscellaneous" (all other represented) employees. The remaining, non-represented employees include City Manager, management employees, mid-management/professional employees, and supervisory/technical employees. Employees receive a wide range of benefits, including (California Public Employees' Retirement System) (CalPERS) retirement; medical, dental, vision, and life insurance; vacation, holiday, sick, and administrative leave; deferred compensation, employee assistance program, flexible benefits, and tuition reimbursement. Each Memorandum of Understanding with the bargaining units defines the benefit details for each job classification and can be found on the City's website.

Personnel Budget Detail FY 2022

Personnel Expenditures FY 2022	General Fund	LBID Fund	Chapman Estate Fund	Water Enterprise Fund	Wastewater Treatment Fund	Parking Enterprise Fund	Technology Service Fund	Motor Vehicle Fund	All Funds Total
Gross Wages									
Salaries-Full Time	6,942,076	-		448,833	600,743	120,280	113,648	72,867	8,298,449
Salaries-Overtime	317,258	-		27,700	30,000	2,500	-	2,000	379,458
Salaries-Temp Part Time	776,414	31,827	6,000	12,202	12,202	82,742	6,500		927,887
Gross Wages Total	**8,035,748**	**31,827**	**6,000**	**488,735**	**642,945**	**205,523**	**120,148**	**74,867**	**9,605,793**
Insurance									
Insurance - Dental Insurance	80,584	-		4,107	6,878	834	519	-	92,922
Insurance - Flexible Benefit Allowance	290,925			38,087	36,916	4,998	4,998	11,374	387,296
Insurance - Health Insurance	1,258,086	-		128,471	294,099	13,573	8,686	-	1,702,915
Insurance - Life Insurance	9,229	-		677	913	132	110	110	11,171
Insurance - LT Disability	2,500								2,500
Insurance - State Unemployment Insurance	36,092	-	-	1,612	2,297	445	568	364	41,379
Insurance - Vision Insurance	18,766	-		980	1,760	204	134	-	21,844
Insurance - Workers' Compensation	502,544	356	203	43,338	66,976	18,016	4,061	10,325	645,820
Insurance Total	**2,198,727**	**356**	**203**	**217,271**	**409,838**	**38,202**	**19,076**	**22,174**	**2,905,847**
Other Benefits									
Other Benefits-Car Allowance	6,600			-	-	-			6,600
Other Benefits-Employee Assistance Prg	2,098	-		154	208	30	25	25	2,539
Other Benefits-Expense Allowance	-								-
Other Benefits-Moving Allowance	-					-			-
Other Benefits-Other Benefits	-			-	-				-
Other Benefits-Retiree Medical Insurance	457,945			-	-	-			457,945
Other Benefits-SEC 125 Admin Fee	1,378	-		50	265	-	-	-	1,693
Other Benefits-Sick Pay Buy-Back	-			-	-	-	-	-	-
Other Benefits-Uniform Allowance	36,700					1,200			37,900
Other Benefits Total	**504,721**	**-**		**204**	**473**	**1,230**	**25**	**25**	**506,677**
Retirement									
Retirement-Deferred Compensation	212,285	-		16,350	17,475	6,300	4,500	1,500	258,410
Retirement-Pension Expense				-	-	-			-
Retirement-PERS Retirement	779,977	-	-	40,691	50,849	11,178	8,694	8,890	900,278
Retirement-PERS UAL Payment	1,288,984			91,817	101,408	19,526	3,306	27,612	1,532,653
Retirement-Social Security	601,242	2,435	459	38,717	50,550	16,204	9,604	5,893	725,104
Retirement Total	2,882,488	2,435	459	187,575	220,282	53,208	26,104	43,894	3,416,445
Total Personnel Costs	**$13,621,683**	**$34,618**	**$ 6,662**	**$ 893,784**	**$ 1,273,537**	**$ 298,163**	**$ 165,354**	**$ 140,960**	**$16,434,762**

Personnel Budget Detail FY 2023

Personnel Expenditures FY 2023	General Fund	LBID Fund	Chapman Estate Fund	Water Enterprise Fund	Wastewater Treatment Fund	Parking Enterprise Fund	Technology Service Fund	Motor Vehicle Fund	All Funds Total
Gross Wages									
Salaries-Full Time	7,032,133	-		451,177	611,908	120,687	113,648	72,867	8,402,420
Salaries-Overtime	317,258	-		27,700	30,000	2,500	-	2,000	379,458
Salaries-Temp Part Time	762,514	31,827	6,000	12,202	12,202	82,742	6,500		913,987
Gross Wages Total	**8,111,905**	**31,827**	**6,000**	**491,078**	**654,110**	**205,930**	**120,148**	**74,867**	**9,695,865**
Insurance									
Insurance - Dental Insurance	80,436	-		4,107	6,878	834	519	-	92,774
Insurance - Flexible Benefit Allowance	290,925			38,087	36,916	4,998	4,998	11,374	387,296
Insurance - Health Insurance	1,344,165	-		68,732	108,149	14,523	9,294	-	1,544,863
Insurance - Life Insurance	9,196	-		677	913	132	110	110	11,138
Insurance - LT Disability	2,500								2,500
Insurance - State Unemployment Insurance	36,911	-	-	1,616	2,345	446	568	364	42,250
Insurance - Vision Insurance	18,721	-		980	1,760	204	134	-	21,798
Insurance - Workers' Compensation	503,833	356	203	43,367	68,232	18,031	4,061	10,325	648,409
Insurance Total	**2,286,687**	**356**	**203**	**157,564**	**225,192**	**39,167**	**19,684**	**22,174**	**2,751,028**
Other Benefits									
Other Benefits-Car Allowance	6,600			-	-	-			6,600
Other Benefits-Employee Assistance Prg	2,090	-		154	208	30	25	25	2,531
Other Benefits-Expense Allowance	-								-
Other Benefits-Moving Allowance	-					-			-
Other Benefits-Other Benefits	-			-	-				-
Other Benefits-Retiree Medical Insurance	475,340			-	-	-			475,340
Other Benefits-SEC 125 Admin Fee	1,378	-		50	265	-	-	-	1,693
Other Benefits-Sick Pay Buy-Back	-			-	-	-	-	-	-
Other Benefits-Uniform Allowance	36,700					1,200			37,900
Other Benefits Total	**522,108**	**-**		**204**	**473**	**1,230**	**25**	**25**	**524,065**
Retirement									
Retirement-Deferred Compensation	210,935	-		16,350	17,475	6,300	4,500	1,500	257,060
Retirement-Pension Expense				-	-	-			-
Retirement-PERS Retirement	788,230	-	-	40,918	51,616	11,210	8,751	8,890	909,615
Retirement-PERS UAL Payment	1,387,245			99,656	109,891	21,228	3,298	30,082	1,651,400
Retirement-Social Security	604,246	2,435	459	38,896	51,404	16,235	9,604	5,893	729,172
Retirement Total	2,990,656	2,435	459	195,820	230,385	54,973	26,154	46,364	3,547,247
Total Personnel Costs	**$13,911,356**	**$34,618**	**$ 6,662**	**$ 844,667**	**$ 1,110,160**	**$ 301,301**	**$ 166,011**	**$ 143,430**	**$16,518,204**

Long-Term Financial Planning

The City incorporates long-term financial planning into its budget process in three ways:

- First, the City has established a set of financial policies that were reviewed and affirmed by the City Council and Department Head Team on April 14, 2021 during the development of the budget. These policies establish goals for the allocation of public resources in the manner best suited to the efficient provision of services to citizens and visitors present within the City. Some of these policies call for maintaining adequate cash reserves and providing ongoing maintenance of infrastructure and buildings, which are vital to sound fiscal management.

- Second, the Council undertakes a strategic planning process to establish goals and priorities for the organization that takes into account a long-term vision of the City and incorporates public input. The Council reviews and may modify its long-term vision statement for the City every two years. Additionally, the Council seeks public input in developing the City's goals to meet this vision. This public input process, branded *Pismo Voice*, includes a tri-fold flyer in all utility bills that directly asks for ideas about priorities, with prepaid postage for return mail to the City. In addition, the City received feedback about priorities from social media and other online notifications such as Facebook, Next Door, Notify Me; online survey/Pismo Voice platform, and feedback through the City's website. The resulting City goals are long-term goals that typically cannot be accomplished in one or two years. As such, City staff develop work plans to implement various stages of those goals and those items are incorporated into the budget.

- Third, the City maintains a five-year operating projection for the General Fund and the Water and Wastewater Enterprise Funds. The General Fund projection is updated quarterly and shared with Council annually. In FY 2019, the City prepared a five-year financial plan for the Water and Wastewater Enterprise Funds as part of the water and wastewater rate development process. These projections allow management to see what the future could look like given a set of assumptions and are evaluated in the context of whether decisions are sustainable over the long term.

- Fourth, the City maintains a 10-year long-range capital planning process that helps drive annual capital funding decisions as well as periodic bond issues for larger investments. The Capital Improvement Plan is approved biennially along with the two-year Adopted Budget.

- Finally, all Governmental Accounting Standards Board (GASB) pronouncements are monitored and implemented into the City's financial statements.

General Fund Five-Year Projection FY 2021 through FY 2026

The following table shows the five-year projection for the General Fund, including all sources and uses and the beginning and projected ending fund balances for FY 2021 revised budget forecasted to FY 2026. In general, the revenues and expenditures in FY 2022 and FY 2023 reflect the Adopted Budgets and FY 2024 to FY 2026 are projections that reflect what the City's General Fund would look like if the City continued to receive revenues based on historical growth rates and spend based on historical spending rates. Given uncertainties of future revenues, expenditures, and resulting fund balances, it is prudent to continue to maintain thoughtful discipline in restraining costs.

Pismo Beach's Municipal Code requires that each year's budget be balanced. In the event that ongoing expenditures exceed revenues, balancing the budgets will likely require some combination of expenditure reductions and/or additional revenues. These projections assume no ongoing solutions are implemented. To the extent budgets are balanced with ongoing solutions, future shortfalls would decrease.

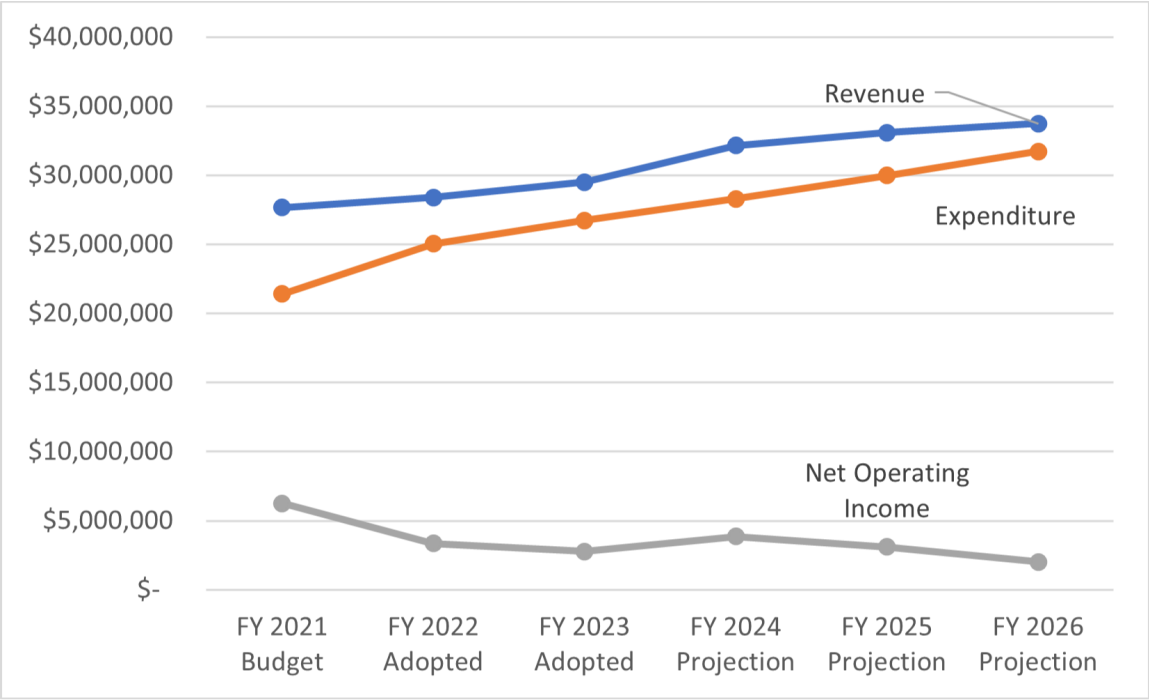
This projection assumes no major changes from the FY 2022 and FY 2023 Adopted Budget levels to policies, service levels, the number of employees, or labor contracts approved after the June 1, 2021 budget adoption. It also assumes capital projects spending stays relatively level around $630 thousand in FY 2023 and growing by CPI each year and that there are no other new one-time costs. The General Fund operating budget is structurally balanced in FY 2021 through FY 2026.

General Fund Five-Year Projection FY 2021 through FY 2026

Category	FY 2021 Revised Budget	FY 2022 Adopted Budget	FY 2023 Adopted Budget	FY 2024 Projection*	FY 2025 Projection*	FY 2026 Projection*
Sources						
Beginning Fund Balance	**$ 11,680,217**	**$ 14,148,891**	**$ 9,185,293**	**$ 10,051,346**	**$ 13,024,902**	**$ 15,191,841**
Transient Occupancy Tax	$ 14,048,418	$ 14,501,700	$ 14,791,000	$ 16,900,387	$ 17,238,394	$ 17,583,162
Property Taxes	6,006,538	6,100,458	6,434,971	6,785,818	7,155,793	7,298,909
Sales & Use Tax	3,184,151	3,141,335	3,172,748	3,280,681	3,392,285	3,460,131
Other revenues	1,656,185	1,865,622	1,942,270	1,981,116	2,020,738	2,061,153
Permits	1,176,947	912,245	1,256,403	1,281,531	1,307,162	1,333,305
Other Taxes	1,023,296	919,344	919,895	936,360	953,227	972,291
Departmental Revenues	320,036	731,000	760,380	775,588	791,099	806,921
Transfers In	140,000	140,000	140,000	140,000	140,000	140,000
Fees, Grants, Intergovernmental Revenue	113,531	71,534	76,534	78,064	79,626	81,218
Total Revenues	**$ 27,669,102**	**$ 28,383,238**	**$ 29,494,201**	**$ 32,159,544**	**$ 33,078,325**	**$ 33,737,091**
Uses						
Salaries & Wages	$ 7,485,998	$ 8,035,748	$ 8,111,905	$ 8,517,500	$ 8,943,375	$ 9,390,544
Benefits	4,798,723	5,127,990	5,324,111	5,856,522	6,442,175	7,086,392
Professional Services	3,547,656	3,790,786	4,379,280	4,616,209	4,865,956	5,129,214
Contract Services	2,234,899	3,250,710	3,330,545	3,477,435	3,630,803	3,790,935
Transfers Out	934,409	1,007,402	1,964,379	2,060,726	2,165,920	2,230,897
Operations & Maintenance	1,118,492	1,346,458	1,212,314	1,241,089	1,270,547	1,308,663
Other Financing Uses	216,000	1,120,000	1,035,000	1,066,050	1,098,032	1,130,972
Other Expenses	806,021	896,030	888,378	958,586	1,034,343	1,116,086
Retiree Medical Insurance	220,335	457,945	475,340	495,781	517,102	532,615
Capital Projects	55,294	4,500	4,500	4,635	4,774	4,917
Total Operating Expenditures	**$ 21,417,826**	**$ 25,037,569**	**$ 26,725,752**	**$ 28,294,533**	**$ 29,973,024**	**$ 31,721,236**
Net Revenues less Operating Expenditures	**$ 6,251,276**	**$ 3,345,669**	**$ 2,768,449**	**$ 3,865,011**	**$ 3,105,301**	**$ 2,015,855**
One-time Revenues	244,977	150,000	150,000	150,000	150,000	150,000
One-time Expenditures**	2,800,626	6,925,078	630,350	649,261	668,738	688,800
Total Expenditures	**$ 24,218,452**	**$ 31,962,647**	**$ 27,356,102**	**$ 28,943,793**	**$ 30,641,762**	**$ 32,410,036**
Ending Fund Balance	**$ 15,375,844**	**$ 10,719,481**	**$ 11,473,392**	**$ 13,417,097**	**$ 15,611,464**	**$ 16,668,896**
Committed	-					
Carryforward to next FY	**14,148,891**	**9,185,293**	**10,051,346**	**13,024,902**	**15,191,841**	**16,231,843**
Budget Stabilization Set-Aside	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)
CalPERS Prepayment Set-Aside		(1,000,000)	(1,000,000)			
Ending Unassigned Fund Balance after set-asides, carryforwards, & contributions	**$ 14,148,891**	**$ 6,185,293**	**$ 7,051,346**	**$ 11,024,902**	**$ 13,191,841**	**$ 14,231,843**
Adjustment based on FY 2021 Projection	1,226,954					
Contribution to Reserves		534,188	422,046	392,195	419,623	437,053
GF Reserve	5,725,204	6,259,392	6,681,438	7,073,633	7,493,256	7,930,309

*Note for FY 2024 through FY 2026 Operting Revenues and Expenditures:
The last 3 years of the 5 Year Projection assumes that operations continue to increase at known rates, CPI, or historical growth rates.
**Assumes $630,350 plus CPI of one-time costs in FY 2024 to FY 2026
Staff will work to ensure that revenues and operating expenditures are structurally balanced during the budget development process.

The General Fund operating budget is structurally balanced in FY 2021 through FY 2026. This assumes that no changes to operations or revenues occur prior to when those budgets are developed. The following chart illustrates the revised budget for FY 2021 and budgeted and projected operating revenues and expenditures for FY 2022 through FY 2026.



Key Assumptions of the General Fund Five-Year Projection

- The FY 2021 revised budget represents the most recent projections for FY 2021, including the City's FY 2019 Fourth Quarter Financial Status Update and August 2021 Mid-Year Budget Adjustments and other updated information.
- FY 2022 and FY 2023 numbers reflect the Adopted Budgets for those years.
- Revenues and expenditures reflect known one-time changes from prior years.
- FY 2024 through FY 2026 reflect projected CPI increases (CPI projection from the California Department of Finance) or 2.0% per year for revenues unless otherwise stated below.

Sources:

- FY 2024 TOT revenues are projected to increase by 14.3% compared to FY 2023 based on updated projections from the FY 2021 fourth quarter report of TOT revenues for FY 2021. Based on FY 2021 TOT revenues, FY 2022 TOT revenues are projected to be 3.5% greater than FY 2021. FY 2023 through FY 2026 revenues are projected to be 2.0% greater than the previous year.
- Property-related tax revenues are projected to grow at 5.5% per year in FY 2024 and FY 2025 based on a nine-year historical average of property-related tax revenue growth and the maximum amount that property taxes can increase based on assessed valuation.
- Sales & use tax revenues are projected to increase by 3.4% compared to the previous year in FY 2024 and FY 2025 to reflect historical actual increases and projections from the City's sales and use tax revenue consultant.
- Other taxes are projected to increase by 1.8% compared to the previous year in FY 2024 and FY 2025 based on a nine-year historical average of other taxes revenue growth
- All other operating revenues are projected to increase by 2.0% in FY 2022 through FY 2024.

Uses:

- Salaries & Wages are projected to increase by 5% each year during FY 2024 through FY 2026. This is greater than the historical average as labor negotiations are pending beginning FY 2023. Based on hiring trends and already increasing part-time schedules, it is anticipated that salaries and benefits will increase to catch up with inflation.
- Personnel Benefit costs including CalPERS, Social Security; workers' compensation; health, dental, vision, and life insurance; and other personnel benefits are projected to increase by 10% per year in FY 2024 through FY 2026 based on a nine-year historical average rate of growth plus the salary & wage increase.
- Professional service contracts are expected to increase by 5.4% per year from FY 2024 through FY 2026 based on a nine-year historical average rate of growth of all professional service contracts.
- Contract services are expected to increase by 4.4% per year from FY 2024 through FY 2026 based on based on a nine-year historical average rate of growth.
- Retiree medical insurance reflects projected Other Post Employment Benefit (OPEB) annual required contributions (ARC) and the City's annual contributions for current and projected retiree health insurance costs. The ARC payment reflects the potential increase to the City's annual contribution and overall is expected to increase by 4.3% per year from FY 2024 through FY 2026. This increase is based on a nine-year historical average rate of growth.
- Capital Projects and one-time costs are projected to be about $649 thousand in FY 2024 and grow by CPI until FY 2026.

General Fund Reserves & Contingency Budget

The City maintains various General Fund reserves currently totaling $7.01 million in FY 2022 and $7.43 million in FY 2023 for various purposes as discussed below. These reserves are crucial to the City in order to avoid disrupting the City's operations should an unanticipated event occur. The reserves are shown in the table below, followed by a summary of each reserve.

General Fund Reserves ($ thousands)

Reserves	FY 2022 Amount	FY 2023 Amount
General Fund 25% Reserve	$6,259	$6,681
City Facility Reserve	$500	$500
Risk Management Reserve	$250	$250
Total General Fund Reserves	**$7,009**	**$7,431**

General Fund Reserve

The General Fund Reserve is equal to 25% of General Fund operating budget expenditures in FY 2022 and FY 2023. The City Council adopted this General Fund Reserve policy of 25% based on the City's dependence on the tourism industry, the large capital- and cash flow-intensive budget, potential major unanticipated costs from a fire or other major disasters. Intended uses of the reserve include emergencies, economic downturns, decreased revenues, capital acquisitions and cash flow needs, and emerging opportunities. A 25% Reserve would allow the City to maintain normal operations for 3 months. The General Fund Reserve is projected to be $6.26 million at the end of FY 2022 and $6.68 million at the end of FY 2023.

City Facility Reserve

On January 7, 2014, the Council created a City Facility Reserve of $500,000, for improvements for City facilities and buildings, particularly if other funds are not available. The intended use is for this reserve to fund improvements over $100,000 necessary for accessibility improvements, safety improvements, improvements to protect the City from exposure to general liabilities associated with use of City buildings and facilities, or other unanticipated infrastructure improvements to City buildings and facilities.

Risk Management Reserve

Despite strategic efforts to manage risk, the City continues to see increases in risk management costs associated with general liability and workers' compensation costs. The CJPIA is the City's provider of Risk Management Services, including insurance for general liability, workers' compensation, and property insurance. Each year the City makes an annual contribution to pay for this insurance coverage, which has increased substantially over the past 10 years. General liability insurance is the leading factor in the increase and is made up of both the premiums and deferred amounts. The aggregate of the general liability costs has increased by 11% per year for the past 10 years. This is largely the result of several large claims filed against cities that are members of the CJPIA risk pool, including Pismo Beach. Included in this increase is the CJPIA's annual retroactively- calculated amount based on the history of actual claims activity.

Because these rising costs are a concern for the City, the City has a major Risk Management Program designed to reduce exposure to risk. Additionally, the City Council established and funds a Risk Management Reserve to fund unanticipated general liability and workers' compensation costs, legal costs, judgments, or costs to avoid judgments such as accessibility improvements costing more than $100,000, in the event the City does not have resources available in the future. The reserve includes an annual contribution of $50 thousand from the General Fund unassigned fund balance starting with FY 2014, up to a maximum amount of $250,000. The reserve is fully funded at $250 thousand in FY 2022.

Summary of General Fund Reserves

The following table provides a summary of the various General Fund reserves, including their balances from FY 2021 projected through FY 2026.

Reserves	FY 2021 Revised Budget	FY 2022 Adopted Budget	FY 2023 Adopted Budget	FY 2024 Projection	FY 2025 Projection	FY 2026 Projection
General Fund Reserve	$ 5,354,456	$ 6,259,392	$ 6,681,438	$ 7,073,633	$ 7,493,256	$ 7,930,309
Risk Management Reserve	250,000	250,000	250,000	250,000	250,000	250,000
City Facility Reserve	500,000	500,000	500,000	500,000	500,000	500,000
Total Reserves	**$ 6,104,456**	**$ 7,009,392**	**$ 7,431,438**	**$ 7,823,633**	**$ 8,243,256**	**$ 8,680,309**

General Fund Contingency Budget

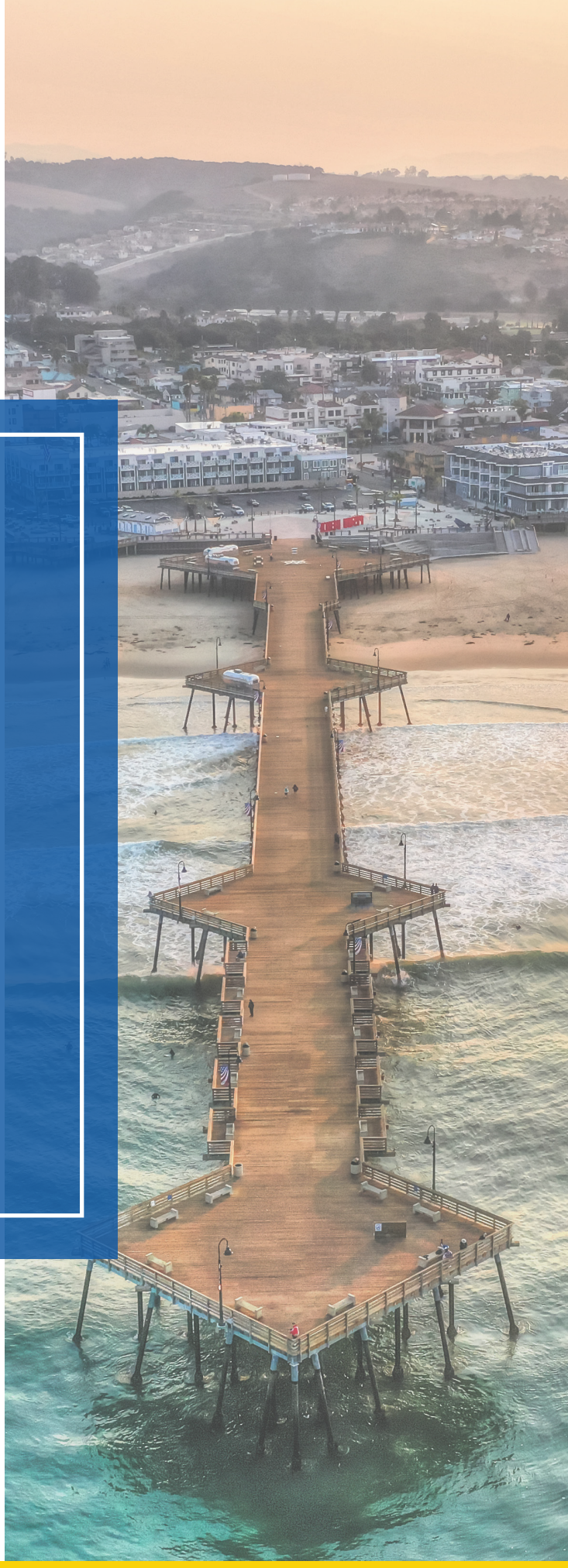
In addition to the above reserves, the City's fiscal policy maintains a contingency budget of 1% of budgeted General Fund expenditures to be used for emergencies or other unanticipated expenditures that come up during the year at the direction of the City Council, or up to $50 thousand at the direction of the City Manager. This $50 thousand cumulative amount is based on the City's Purchasing Policy threshold where the City Manager has the discretion to approve expenditures in the amount of $50 thousand or less. Due to several large capital projects that could experience cost overruns, future projects from the Information Technology Strategic Plan scheduled to be completed during FY 2022, and anticipated future personnel costs, the contingency budget in the Adopted Budget is increased to 4% per year at $1.00 million in FY 2022 and $1.00 million in FY 2023.

Non-Profit Agency Funding

Each year during the budget process, the City receives funding requests from outside agencies. For FY 2022, several outside agencies submitted requests for funding and presented their funding requests to the City Council at the May 13, 2021 Council meeting. A total of $110,700 was approved for outside agency requests for FY 2022.

	FY 2022	FY 2022	FY 2021	FY 2020	FY 2019	FY 2018
Funding Source	**Approve**	**Funding Source**	**Actual**	**Actual**	**Actual**	**Actual**
American Red Cross	3,500	General Fund	3,500	$ 3,500	$ 3,500	$ 3,500
Assistance League of SLO County		General Fund	2,500	2,500	2,500	2,000
Association of Amputee Surfers (AMPSURF)	4,000	General Fund	4,000	4,000	4,000	3,000
CAP-SLO (EOC)-Adult Wellness & Prevention Screening Prg		General Fund		2,000	2,000	2,000
CAP-SLO (EOC) - Energy Svcs Home Repair Program	4,200	Housing In-Lieu Fund	4,200	4,200	4,200	4,200
CAP-SLO (EOC) - 40 Prado Homeless Services Center	5,000	General Fund	3,500	3,000	2,500	2,500
Destination Imagination		General Fund				
ECO-SLO - County Coastal Cleanup	5,000	General Fund	5,000	5,000	5,000	3,000
Family Care Network (New)		General Fund	5,000			
Five Cities Diversity Coalition	1,000	General Fund	1,000	1,000	1,000	1,000
Five Cities Meals on Wheels	8,000	General Fund	8,000	7,400	7,400	7,400
HomeShare SLO	3,500	Housing In-Lieu Fund	3,500	3,500	2,000	2,000
NOOR Foundation	15,000	General Fund	20,000	12,000	10,000	8,000
People's Self-Help Housing		Housing In-Lieu Fund	5,000		5,000	5,000
Shower the People of SLO	5,000	General Fund	5,000	2,500		
SLO County Housing Trust Fund	3,000	Housing In-Lieu Fund		2,000	2,000	2,000
SLO County YMCA	3,500	General Fund	3,500	2,500	2,500	2,500
SLO SCORE	2,500	General Fund	2,500	2,500	2,500	2,500
United Way - SLO County 211 Hotline	7,500	General Fund	7,500	5,000	5,000	3,500
5Cities Homeless Coalition	25,000	General Fund	30,000	20,000	15,000	10,000
Subtotal Donations from General Fund Unassigned Fund Balance	**$ 85,000**		**$ 101,000**	**$ 72,900**	**$ 62,900**	**$ 50,900**
Housing In Lieu Fee Fund Balance	**$ 10,700**		**$ 12,700**	**$ 9,700**	**$ 13,200**	**$ 13,200**
Basin Street Regulars / Jubilee by the Sea	10,000	LBID	3,000	8,000	12,000	11,000
San Luis Obispo Int'l Film Festival	5,000	LBID		5,000	5,000	4,000
Subtotal LBID Budget	**$ 15,000**		**$ 3,000**	**$ 13,000**	**$ 17,000**	**15,000**
General Fund Total	*$ 85,000*		*$ 101,000*	*$ 72,900*	*$ 62,900*	*$ 50,900*
Housing In Lieu Fee Fund	*$ 10,700*		*$ 12,700*	*9,700*	*13,200*	*13,200*
LBID Fund Total	*$ 15,000*		*$ 3,000*	*13,000*	*17,000*	*15,000*
All Fund Budget Total	**$ 110,700**		**$ 116,700**	**$ 95,600**	**$ 93,100**	**$ 79,100**

FINANCIAL SUMMARIES



Changes in Available Fund Balances FY 2022

RECAP OF FUNDS - FY 2022		Beginning Fund Balance	Projected Revenues & Other Sources	Transfers In	Operating Expenditures	Debt Service	Capital Outlay	Capital Projects	Transfers Out	Estimated Ending Fund Balance
Governmental Fund Types										
General Fund (1001)										
Primary Operating Funds:										
1001	General Fund	14,148,891	28,243,238	290,000	24,391,217	0	4,500	0	7,566,930	10,719,481
1002	Half Cent Sales Tax Fund	2,433,490	1,551,600	0	0	0	0	0	3,688,510	296,580
Total General Fund		**16,582,381**	**29,794,838**	**290,000**	**24,391,217**	**0**	**4,500**	**0**	**11,255,440**	**11,016,062**
Special Revenue Funds										
2001	Gas Tax Fund	86,568	382,889	0	0	0	0	0	465,000	4,457
2002	Local Transportation (Streets)	403,955	206,483	0	25,141	0	0	0	550,000	35,297
2003	PEG Access Fund	96,783	37,000	0	10,000	0	0	0	0	123,783
2004	Police Grant Fund	50,092	153,300	0	0	0	0	0	150,000	53,392
2005	Housing In Lieu Fund	741,152	80,000	0	12,107	0	0	0	0	809,045
2006	LBID	(1,355,417)	2,654,900	0	1,383,585	0	0	0	358,888	(442,990)
2007	Chapman Estate Fund	43,096	375,000	0	74,420	0	0	0	0	343,676
Total Special Revenue Funds		**66,229**	**3,889,572**	**0**	**1,505,253**	**0**	**0**	**0**	**1,523,888**	**926,660**
Capital Projects Funds										
3001	Capital Projects	0	20,421,490	11,090,510	0	0	0	31,512,000	0	0
3002	Public Facilities Fund	886	0	0	0	0	0	0	0	886
3003	Park Development Fund	229,727	33,200	0	4,707	0	0	225,000	0	33,220
3101	Circulation Fees	220,556	6,700	0	0	0	0	0	0	227,256
3102	Impact Fees	385,260	16,100	0	1,350	0	0	0	0	400,010
3103	Developer Impact Fee	64,288	1,000	0	0	0	0	0	0	65,288
3201	Underground Utility	16,674	0	0	0	0	0	0	0	16,674
Total Capital Projects Funds		**917,391**	**20,478,490**	**11,090,510**	**6,057**	**0**	**0**	**31,737,000**	**0**	**743,334**
Debt Service Funds										
4001	Public Finance Authority	0	390,988	0	0	390,988	0	0	0	0
4002	Public Financing Agency	38	0	709,572	0	709,572	0	0	0	38
4101	Freeway Foothills	772	0	0	0	0	0	0	0	772
4102	Spyglass/Price St.	12,844	0	0	0	0	0	0	0	12,844
4113	Visalia Street Assessment Dist	101,993	0	0	0	0	0	0	0	101,993
Total Debt Service Funds		**116,392**	**390,988**	**709,572**	**0**	**1,100,560**	**0**	**0**	**0**	**116,392**
Total Governmental Fund Types		**17,682,393**	**54,553,887**	**12,090,082**	**25,902,527**	**1,100,560**	**4,500**	**31,737,000**	**12,779,328**	**12,802,448**
Proprietary Fund Types										
Enterprise Funds										
6101	Water Operating Fund	7,283,293	5,242,300	0	3,348,812	0	83,000	0	2,293,392	6,800,388
6102	Water Tax Fund	669,139	1,410,000	1,362,000	2,778,933	0	0	0	0	662,206
6103	Water Construction Fund	1,026,566	14,000	879,300	200,000	0	0	679,300	0	1,040,566
6104	Water Expansion Fund	996,867	5,600	0	0	0	0	0	0	1,002,467
6201	Wastewater Operating Fund	7,772,760	4,973,800	86,054	3,583,261	1,105,051	40,800	0	645,843	7,457,659
6202	Wastewater Construction Fund	766,549	5,000	295,000	131,000	0	0	164,000	0	771,549
6203	Wastewater Expansion Fund	1,602,574	28,800	0	473	0	0	0	0	1,630,901
6301	Local Transportation Transit	30,114	11,000	0	2,858	0	0	0	0	38,256
6401	Pier Enterprise Fund	434	68,872	30,000	82,272	0	0	0	0	17,034
6501	Parking Enterprise Fund	2,637,945	2,257,045	0	625,418	0	0	2,681,681	76,031	1,511,860
Total Enterprise Funds		**22,786,240**	**14,016,417**	**2,652,354**	**10,753,028**	**1,105,051**	**123,800**	**3,524,981**	**3,015,266**	**20,932,885**
Internal Service Fund										
7101	Technology Service Fund	0	845,834	390,000	979,834	0	21,000	235,000	0	0
7201	Motor Vehicle Fund	1,652,531	522,447	662,158	515,510	0	252,600	0	0	2,069,026
Total Internal Service Fund		**1,652,531**	**1,368,281**	**1,052,158**	**1,495,344**	**0**	**273,600**	**235,000**	**0**	**2,069,026**
Total Proprietary Fund Types		**24,438,771**	**15,384,698**	**3,704,512**	**12,248,372**	**1,105,051**	**397,400**	**3,759,981**	**3,015,266**	**23,001,911**
Total City Funds		**42,121,164**	**69,938,586**	**15,794,594**	**38,150,899**	**2,205,611**	**401,900**	**35,496,981**	**15,794,594**	**35,804,359**

Changes in Available Fund Balance FY 2023

RECAP OF FUNDS - FY 2023		Beginning Fund Balance	Projected Revenues & Other Sources	Transfers In	Operating Expenditures	Debt Service	Capital Outlay	Capital Projects	Transfers Out	Estimated Ending Fund Balance
Governmental Fund Types										
General Fund (1001)										
Primary Operating Funds:										
1001	General Fund*	9,185,293	29,354,201	290,000	24,832,223	0	4,500	0	2,519,379	11,473,392
1002	Half Cent Sales Tax Fund	296,580	1,566,600	0	0	0	0	0	389,000	1,474,180
Total General Fund		**9,481,873**	**30,920,801**	**290,000**	**24,832,223**	**0**	**4,500**	**0**	**2,908,379**	**12,947,572**
Special Revenue Funds										
2001	Gas Tax Fund	4,457	382,889	0	0	0	0	0	140,000	247,346
2002	Local Transportation (Streets)	35,297	206,483	0	5,173	0	0	0	0	236,607
2003	PEG Access Fund	123,783	37,000	0	10,000	0	0	0	0	150,783
2004	Police Grant Fund	53,392	153,300	0	0	0	0	0	150,000	56,692
2005	Housing In Lieu Fund	809,045	80,000	0	1,477	0	0	0	0	887,568
2006	LBID	(442,990)	2,707,900	0	1,226,531	0	0	0	10,664	1,027,715
2007	Chapman Estate Fund	343,676	50,000	0	72,420	0	0	0	0	321,256
Total Special Revenue Funds		**926,660**	**3,617,572**	**0**	**1,315,601**	**0**	**0**	**0**	**300,664**	**2,927,967**
Capital Projects Funds										
3001	Capital Projects	0	0	1,155,000	0	0	0	1,155,000	0	0
3002	Public Facilities Fund	886	0	0	0	0	0	0	0	886
3003	Park Development Fund	33,220	33,200	0	4,943	0	0	0	0	61,477
3101	Circulation Fees	227,256	6,700	0	0	0	0	0	211,000	22,956
3102	Impact Fees	400,010	16,100	0	1,418	0	0	0	0	414,692
3103	Developer Impact Fee	65,288	1,000	0	0	0	0	0	0	66,288
3201	Underground Utility	16,674	0	0	0	0	0	0	0	16,674
Total Capital Projects Funds		**743,334**	**57,000**	**1,155,000**	**6,361**	**0**	**0**	**1,155,000**	**211,000**	**582,973**
Debt Service Funds										
4001	Public Finance Authority	0	392,863	0	0	392,863	0	0	0	0
4002	Public Financing Agency	38	0	1,668,655	0	1,638,048	0	0	0	30,645
4101	Freeway Foothills	772	0	0	0	0	0	0	0	772
4102	Spyglass/Price St.	12,844	0	0	0	0	0	0	0	12,844
4113	Visalia Street Assessment Dist	101,993	0	0	0	0	0	0	0	101,993
Total Debt Service Funds		**116,392**	**392,863**	**1,668,655**	**0**	**2,030,911**	**0**	**0**	**0**	**146,999**
Total Governmental Fund Types		**11,268,259**	**34,988,236**	**3,113,655**	**26,154,185**	**2,030,911**	**4,500**	**1,155,000**	**3,420,043**	**16,605,511**
Proprietary Fund Types										
Enterprise Funds										
6101	Water Operating Fund	6,800,388	5,321,300	0	3,505,821	0	83,000	0	2,523,817	6,009,051
6102	Water Tax Fund	662,206	1,730,000	1,368,000	2,778,933	0	0	0	0	981,273
6103	Water Construction Fund	1,040,566	14,000	1,110,800	200,000	0	0	910,800	0	1,054,566
6104	Water Expansion Fund	1,002,467	5,600	0	0	0	0	0	0	1,008,067
6201	Wastewater Operating Fund	7,457,659	4,973,800	82,384	3,407,119	1,106,926	40,800	0	513,300	7,445,698
6202	Wastewater Construction Fund	771,549	5,000	170,000	131,000	0	0	39,000	0	776,549
6203	Wastewater Expansion Fund	1,630,901	28,800	0	497	0	0	0	0	1,659,204
6301	Local Transportation Transit	38,256	11,000	0	2,900	0	0	0	0	46,356
6401	Pier Enterprise Fund	17,034	70,008	20,000	82,272	0	0	0	0	24,770
6501	Parking Enterprise Fund	1,511,860	2,340,743	0	645,593	0	0	0	0	3,207,010
Total Enterprise Funds		**20,932,885**	**14,500,251**	**2,751,184**	**10,754,134**	**1,106,926**	**123,800**	**949,800**	**3,037,117**	**22,212,543**
Internal Service Fund										
7101	Technology Service Fund	0	837,236	0	816,236	0	21,000	0	0	0
7201	Motor Vehicle Fund	2,069,026	524,926	592,321	518,975	0	914,800	0	0	1,752,498
Total Internal Service Fund		**2,069,026**	**1,362,162**	**592,321**	**1,335,211**	**0**	**935,800**	**0**	**0**	**1,752,498**
Total Proprietary Fund Types		**23,001,911**	**15,862,413**	**3,343,505**	**12,089,345**	**1,106,926**	**1,059,600**	**949,800**	**3,037,117**	**23,965,041**
Total City Funds		**34,270,170**	**50,850,649**	**6,457,160**	**38,243,530**	**3,137,837**	**1,064,100**	**2,104,800**	**6,457,160**	**40,570,552**

* General Fund beginning fund balance is reduced by $1.0 million to reflect a CalPERS Pre-payment and $534,188 to reflect FY 2022 contributions to reserves

Fund Budget Summaries—Revenues

FUND SUMMARY
Comparative Annual Revenues By Fund

FUND DESCRIPTION	FY 2018 ACTUAL	FY 2019 ACTUAL	FY 2020 ACTUAL	FY 2021 BUDGET	FY 2022 ADOPTED	FY 2023 ADOPTED
REVENUES						
GENERAL FUND	22,661,127	24,137,008	23,730,899	28,187,299	28,533,238	29,644,201
HALF CENT SALES TAX FUND	3,129,008	3,336,091	3,102,050	1,575,000	1,551,600	1,566,600
GAS TAX FUND	195,178	344,048	349,800	369,793	382,889	382,889
LOCAL TRANSPORTATION FUND	127,939	180,567	188,604	172,886	206,483	206,483
PEG ACCESS FEE FUND	35,707	42,339	41,773	35,000	37,000	37,000
POLICE GRANTS FUND	137,434	163,647	236,762	132,000	153,300	153,300
HOUSING IN LIEU FUND	132,895	146,877	414,107	99,000	80,000	80,000
LBID FUND	1,000,519	1,552,965	1,917,510	2,679,249	2,654,900	2,707,900
CHAPMAN HOUSE FUND	246,756	20,014	37,639	704,250	375,000	50,000
CAPITAL PROJECTS FUND	1,807,732	6,665,563	14,652,358	17,609,527	31,512,000	1,155,000
PUBLIC FACILITIES FUND	(3)	32	33	-	-	-
PARK DEVELOPMENT FEE FUND	3,938	95,996	100,028	48,000	33,200	33,200
CIRCULATION FEE FUND	175,442	27,940	53,656	7,000	6,700	6,700
IMPACT FEE FUND	25,747	258,450	106,134	10,000	16,100	16,100
DEVELOPER IMPACT FEE FUND	(1,134)	6,072	6,342	-	1,000	1,000
UNDERGROUND UTILITY FUND	(58)	600	627	-	-	-
PUBLIC FINANCING AUTHORITY FUND	391,843	388,163	393,995	388,363	390,988	392,863
PUBLIC FINANCING AGENCY	5,314,571	732,282	659,691	633,518	709,572	1,668,655
1992-1 REASSESSMENT FUND	(3)	28	29	-	-	-
1992-4 REASSESSMENT FUND	(44)	462	483	-	-	-
WATER FUND	5,781,259	5,793,460	5,556,284	6,544,992	5,242,300	5,321,300
WATER TAX FUND	1,452,492	1,505,531	2,032,880	1,772,000	2,772,000	3,098,000
WATER CONSTRUCTION FUND	101,073	1,283,274	1,131,746	2,581,254	893,300	1,124,800
WATER EXPANSION FUND	171,543	542,915	300,844	8,000	5,600	5,600
WASTEWATER FUND	8,235,728	10,325,525	6,579,635	5,119,433	5,059,854	5,056,184
WASTEWATER CONSTRUCTION FUND	1,561,508	3,661,927	1,348,886	4,659,315	300,000	175,000
WASTEWATER EXPANSION FUND	39,115	243,044	176,203	36,000	28,800	28,800
LOCAL TRANSIT FUND	9,917	548	11,743	11,000	11,000	11,000
PIER FUND	91,022	745,851	197,862	236,902	98,872	90,008
PARKING ENTERPRISE FUND	759,758	1,236,403	1,030,445	966,000	2,257,045	2,340,743
TECHNOLOGY SERVICE FUND	800,002	771,131	743,320	955,787	1,235,834	837,236
MOTOR VEHICLE FUND	1,018,478	1,279,089	1,260,939	2,475,909	1,184,605	1,117,247
INDIO/PORTAL AD FUND	(2)	25	82	-	-	-
VISALIA STREET AD FUND	(353)	3,672	3,835	-	-	-
Less transfers between funds	(11,092,019)	(19,941,618)	(19,974,672)	(18,211,718)	(15,794,594)	(6,457,160)
TOTAL REVENUES	$ 44,314,114	$ 45,549,924	$ 46,392,553	$ 59,805,759	$ 69,938,585	$ 50,850,649

Fund Budget Summaries—Expenditures

FUND SUMMARY
Comparative Annual Expenses By Fund

FUND DESCRIPTION	FY 2018 ACTUAL	FY 2019 ACTUAL	FY 2020 ACTUAL	FY 2021* BUDGET	FY 2022 ADOPTED	FY 2023 ADOPTED
EXPENSES						
GENERAL FUND	24,426,453	24,197,261	27,676,224	27,690,429	31,962,647	27,356,102
HALF CENT SALES TAX FUND	393,294	1,365,200	1,886,867	2,676,745	3,688,510	389,000
GAS TAX FUND	150,052	636,950	340,000	300,000	465,000	140,000
LOCAL TRANSPORTATION FUND	205,169	443,236	5,082	5,611	575,141	5,173
PEG ACCESS FEE FUND	1,204	57,388	64,254	34,732	10,000	10,000
POLICE GRANTS FUND	116,792	79,781	-	668,106	150,000	150,000
HOUSING IN LIEU FUND	14,352	14,412	10,976	3,514,040	12,107	1,477
LBID FUND	1,000,554	1,080,780	5,625,600	2,140,618	1,742,473	1,237,195
CHAPMAN HOUSE FUND	283,643	31,535	55,311	714,741	74,420	72,420
CAPITAL PROJECTS FUND	1,820,314	5,974,631	14,808,832	18,271,877	31,512,000	1,155,000
PUBLIC FACILITIES FUND	-	-	-	-	-	-
PARK DEVELOPMENT FEE FUND	16,058	1,036,724	264,444	392,977	229,707	4,943
CIRCULATION FEE FUND	140,511	137,340	76,115	350,975	-	211,000
IMPACT FEE FUND	262,763	377,416	33,964	618,269	1,350	1,418
DEVELOPER IMPACT FEE FUND	1,854	-	3,067	-	-	-
UNDERGROUND UTILITY FUND	-	-	-	-	-	-
PUBLIC FINANCING AUTHORITY FUND	391,843	388,163	393,995	388,363	390,988	392,863
PUBLIC FINANCING AGENCY FUND	1,496,892	3,551,164	1,044,643	713,509	709,572	1,638,048
1992-1 REASSESSMENT FUND	-	-	-	-	-	-
1992-4 REASSESSMENT FUND						
WATER FUND	3,917,287	4,938,733	5,562,879	9,926,808	5,725,204	6,112,638
WATER TAX FUND	1,910,758	1,895,962	2,119,108	2,326,753	2,778,933	2,778,933
WATER CONSTRUCTION FUND	55,473	1,197,800	1,038,496	2,630,017	879,300	1,110,800
WATER EXPANSION FUND	883,136	444,171	-	-	-	-
WASTEWATER FUND	4,175,841	4,678,149	5,296,397	8,788,975	5,374,955	5,068,145
WASTEWATER CONSTRUCTION FUND	2,194,737	4,773,415	1,309,593	4,396,908	295,000	170,000
WASTEWATER EXPANSION FUND	1,004,302	20,056	429	451	473	497
LOCAL TRANSIT FUND	7,741	2,460	1,713	10,817	2,858	2,900
PIER FUND	94,835	831,715	307,657	227,385	82,272	82,272
PARKING ENTERPRISE FUND	549,671	563,551	586,535	1,432,485	3,383,130	645,593
TECHNOLOGY FUND	721,441	737,424	776,957	981,445	1,235,834	837,236
MOTOR VEHICLE FUND	851,570	1,087,161	1,229,275	1,212,429	768,110	1,433,775
INDIO/PORTAL AD FUND	-	-	-	-	-	-
VISALIA STREET AD FUND	-	-	-	85,000	-	-
Less transfers between funds	(11,089,747)	(19,941,618)	(19,970,194)	(18,211,922)	(15,794,594)	(6,457,160)
TOTAL EXPENSES	$ 35,998,793	$ 40,600,961	$ 50,548,219	$ 72,288,543	$ 76,255,391	$ 44,550,267

Note: *Budget for FY 2021 includes carryover purchase orders and capital projects.

Expenditures by Fund and Division

Fund	Division	Division Title	FY 2018 Actuals	FY 2019 Actuals	FY 2020 Actuals	FY 2021 Actuals	FY 2021 Budget	FY 2022 Adopted	FY 2023 Adopted
1001	General Fund								
	101	General Government	96	-	13,499	16	-	-	-
	102	Non-Department	5,296,970	3,277,044	3,365,179	2,878,276	1,790,548	3,250,450	3,236,411
	111	City Council	204,118	221,178	186,378	166,170	198,057	218,147	225,545
	121	City Manager	471,537	541,274	494,335	482,432	527,920	462,336	464,853
	131	Legal	211,473	428,440	402,077	618,497	610,659	401,500	401,500
	142	City Clerk	290,900	320,438	306,816	350,947	382,126	312,234	324,862
	143	Human Resources	286,045	373,228	441,999	417,963	458,391	561,909	523,451
	152	Finance	872,327	883,888	912,215	899,139	1,016,585	1,195,775	1,098,604
	153	Information Technology	134,301	72,898	65,858	55,942	183,590	133,528	-
	161	Conference & Visitors Bureau	700,467	744,716	777,245	595,418	756,734	795,405	855,158
	162	Recreation	572,408	561,502	490,299	578,171	727,016	686,074	680,822
	211	Police	6,207,518	6,473,961	6,038,092	6,126,664	6,818,032	7,656,570	7,726,530
	212	Support Services	-	35	435	-	-	-	-
	221	Fire	2,436,301	2,579,917	2,758,633	2,615,875	2,629,951	2,981,969	3,600,844
	222	Weed Abatement	17,103	14,454	15,637	19,780	17,500	20,500	26,500
	223	Lifeguards	235,981	258,995	256,192	271,503	269,498	260,139	265,535
	224	Junior Lifeguards	44,589	36,168	26,836	3,047	8,748	53,546	53,546
	301	Public Works	957,211	1,469,292	5,253,467	2,096,541	2,793,896	3,145,000	-
	302	Engineering	731,021	789,134	856,615	810,754	1,132,388	1,332,281	1,124,770
	303	Facilities Division	2,598,335	2,500,481	2,435,334	2,632,045	4,740,246	5,995,113	3,531,687
	402	Planning	763,599	802,800	1,297,818	985,298	1,403,782	1,188,148	1,008,900
	403	Building	705,209	778,266	756,475	604,556	703,915	791,984	731,007
	507	2017 Pier Bond Financing	538,368	403,627	399,998	404,631	407,538	403,363	401,488
	508	2017B CREBs Financing	150,575	665,525	124,793	121,268	113,311	116,675	112,991
	510	Public Safety Fac Financing	-	-	-	-	-	-	961,100
	General Fund Total		**$24,426,453**	**$24,197,261**	**$27,676,224**	**$23,734,934**	**$27,690,429**	**$ 31,962,647**	**$ 27,356,102**
1002	Half Cent Sales Tax Fund								
	301	Public Works	293,200	1,365,200	1,886,867	20,725	1,014,825	578,510	-
	302	Engineering	-	-	-	124,451	1,000,000	335,000	-
	303	Facilities Division	-	-	-	14,551	661,920	2,775,000	389,000
	402	Planning	100,094	-	-	-	-	-	-
	Half Cent Sales Tax Fund Total		**$ 393,294**	**$ 1,365,200**	**$ 1,886,867**	**$ 159,727**	**$ 2,676,745**	**$ 3,688,510**	**$ 389,000**
2001	Gas Tax Fund								
	303	Facilities Division	150,052	636,950	340,000	160,000	300,000	465,000	140,000
	Gas Tax Fund Total		**$ 150,052**	**$ 636,950**	**$ 340,000**	**$ 160,000**	**$ 300,000**	**$ 465,000**	**$ 140,000**
2002	Local Transportation								
	302	Engineering	-	-	-	-	-	-	-
	303	Facilities Division	205,169	443,236	5,082	5,111	5,611	575,141	5,173
	Local Transportation Total		**$ 205,169**	**$ 443,236**	**$ 5,082**	**$ 5,111**	**$ 5,611**	**$ 575,141**	**$ 5,173**

Fund	Division	Division Title	FY 2018 Actuals	FY 2019 Actuals	FY 2020 Actuals	FY 2021 Actuals	FY 2021 Budget	FY 2022 Adopted	FY 2023 Adopted
2003	**Public Education Government Fund**								
	121	City Manager	385	1,077	9,997	1,567	10,000	10,000	10,000
	142	City Clerk	819	47,533	47,767	36	24,732	-	-
	303	Facilities Division	-	8,778	6,489	-	-	-	-
	Public Education Government Fund Total		**$ 1,204**	**$ 57,388**	**$ 64,254**	**$ 1,603**	**$ 34,732**	**$ 10,000**	**$ 10,000**
2004	**Grants - Non-Capital**								
	211	Police	116,792	79,781	-	515,231	668,106	150,000	150,000
	Grants - Non-Capital Total		**$ 116,792**	**$ 79,781**	**$ -**	**$ 515,231**	**$ 668,106**	**$ 150,000**	**$ 150,000**
2005	**Housing In Lieu Fee**								
	402	Planning	14,352	14,412	10,976	174,381	3,514,040	12,107	1,477
	Housing In Lieu Fee Total		**$ 14,352**	**$ 14,412**	**$ 10,976**	**$ 174,381**	**$ 3,514,040**	**$ 12,107**	**$ 1,477**
2006	**Lodging Business Improvement**								
	152	Finance	-	-	-	-	-	16,000	-
	161	Conference & Visitors Bureau	1,000,554	1,080,780	5,625,600	2,130,759	2,140,618	1,726,473	1,237,195
	Lodging Business Improvement Total		**$ 1,000,554**	**$ 1,080,780**	**$ 5,625,600**	**$ 2,130,759**	**$ 2,140,618**	**$ 1,742,473**	**$ 1,237,195**
2007	**Chapman Estate Fund**								
	161	Conference & Visitors Bureau	1,379	3,883	2,753	-	6,662	6,662	6,662
	303	Facilities Division	-	-	-	-	600,000	-	-
	402	Planning	282,264	27,652	52,558	49,190	108,079	67,758	65,758
	Chapman Estate Fund Total		**$ 283,643**	**$ 31,535**	**$ 55,311**	**$ 49,190**	**$ 714,741**	**$ 74,420**	**$ 72,420**
3001	**Capital Projects**								
	211	Police	-	5,991	-	298,172	523,912	40,000	25,000
	301	Public Works	1,089,616	1,477,505	7,319,388	855,498	5,038,923	24,445,000	-
	302	Engineering	738	138,774	65,960	91,967	2,398,984	335,000	180,000
	303	Facilities Division	665,190	4,009,534	7,301,049	4,916,055	10,304,887	6,692,000	950,000
	402	Planning	64,770	342,827	122,434	-	5,170	-	-
	Capital Projects Total		**$ 1,820,314**	**$ 5,974,631**	**$14,808,832**	**$ 6,161,692**	**$18,271,877**	**$ 31,512,000**	**$ 1,155,000**
3003	**Park Development Fund**								
	301	Public Works	-	1,032,656	260,174	24,834	376,094	-	-
	303	Facilities Division	16,058	4,068	4,270	16,883	16,883	229,707	4,943
	Park Development Fund Total		**$ 16,058**	**$ 1,036,724**	**$ 264,444**	**$ 41,717**	**$ 392,977**	**$ 229,707**	**$ 4,943**
3101	**Circulation Fees**								
	301	Public Works	13,305	21,275	76,115	1,266	1,888	-	-
	302	Engineering	-	115,913	-	-	349,087	-	-
	303	Facilities Division	-	-	-	-	-	-	211,000
	402	Planning	127,207	151	-	-	-	-	-
	Circulation Fees Total		**$ 140,511**	**$ 137,340**	**$ 76,115**	**$ 1,266**	**$ 350,975**	**$ -**	**$ 211,000**

Fund	Division	Division Title	FY 2018 Actuals	FY 2019 Actuals	FY 2020 Actuals	FY 2021 Actuals	FY 2021 Budget	FY 2022 Adopted	FY 2023 Adopted
3102	Impact Fees								
	101	General Government	243,079	358,307	1,225	1,286	1,286	1,350	1,418
	152	Finance	19,684	19,109	-	-	-	-	-
	221	Fire	-	-	845	-	-	-	-
	301	Public Works	-	-	31,894	-	616,983	-	-
	Impact Fees Total		$ 262,763	$ 377,416	$ 33,964	$ 1,286	$ 618,269	$ 1,350	$ 1,418
3103	DIF Sunset Palisades Stairs								
	101	General Government	1,854	-	3,067	-	-	-	-
	DIF Sunset Palisades Stairs Total		$ 1,854	$ -	$ 3,067	$ -	$ -	$ -	$ -
4001	Public Financing Authority Debt Service								
	506	2012 WW Bond Refunding	391,843	388,163	393,995	-	388,363	390,988	392,863
	Public Financing Authority Debt Service Total		$ 391,843	$ 388,163	$ 393,995	$ -	$ 388,363	$ 390,988	$ 392,863
4002	Public Financing Agency								
	507	2017 Pier Bond Financing	538,368	403,913	399,863	404,263	407,163	403,363	401,488
	508	2017B CREBs Financing	958,524	3,147,252	644,781	306,346	306,346	306,210	275,460
	510	Public Safety Fac Financing	-	-	-	-	-	-	961,100
	Public Financing Agency Total		$ 1,496,892	$ 3,551,164	$ 1,044,643	$ 710,609	$ 713,509	$ 709,572	$ 1,638,048
4113	Visalia Street								
	303	Facilities Division	-	-	-	-	85,000	-	-
	Visalia Street Total		$ -	$ -	$ -	$ -	$ 85,000	$ -	$ -
6101	Water Enterprise Fund								
	152	Finance	124,113	136,764	90,452	90,024	105,355	126,853	112,669
	312	Water Division	3,793,174	4,801,969	5,472,427	3,725,946	9,821,453	5,598,351	5,999,969
	Water Enterprise Fund Total		$ 3,917,287	$ 4,938,733	$ 5,562,879	$ 3,815,970	$ 9,926,808	$ 5,725,204	$ 6,112,638
6102	Water Tax Lopez State								
	312	Water Division	1,910,758	1,895,962	2,119,108	1,738,030	2,326,753	2,778,933	2,778,933
	Water Tax Lopez State Total		$ 1,910,758	$ 1,895,962	$ 2,119,108	$ 1,738,030	$ 2,326,753	$ 2,778,933	$ 2,778,933
6103	Water Construction Fund								
	312	Water Division	55,473	1,197,800	1,038,496	143,654	2,630,017	879,300	1,110,800
	Water Construction Fund Total		$ 55,473	$ 1,197,800	$ 1,038,496	$ 143,654	$ 2,630,017	$ 879,300	$ 1,110,800
6104	Water Expansion Fund								
	101	General Government	883,136	444,171	-	-	-	-	-
	Water Expansion Fund Total		$ 883,136	$ 444,171	$ -	$ -	$ -	$ -	$ -

Fund	Division	Division Title	FY 2018 Actuals	FY 2019 Actuals	FY 2020 Actuals	FY 2021 Actuals	FY 2021 Budget	FY 2022 Adopted	FY 2023 Adopted
6201	**Wastewater Treatment Fund**								
	152	Finance	82,863	94,197	88,479	90,218	105,373	127,748	112,669
	302	Engineering	816	-	116	-	-	-	-
	313	Wastewater Division	3,010,855	3,307,332	3,960,411	3,475,795	7,340,308	3,863,817	3,570,340
	506	2012 WW Bond Refunding	1,013,412	1,007,822	1,014,587	1,103,176	1,137,065	1,107,801	1,109,676
	508	2017B CREBs Financing	67,896	268,798	232,804	277,849	206,229	275,589	275,460
	Wastewater Treatment Fund Total		**$ 4,175,841**	**$ 4,678,149**	**$ 5,296,397**	**$ 4,947,039**	**$ 8,788,975**	**$ 5,374,955**	**$ 5,068,145**
6202	**Wastewater Capital Projects**								
	313	Wastewater Division	2,205,059	4,783,806	1,320,091	339,570	4,396,908	295,000	170,000
	506	2012 WW Bond Refunding	(10,322)	(10,391)	(10,498)	-	-	-	-
	Wastewater Capital Projects Total		**$ 2,194,737**	**$ 4,773,415**	**$ 1,309,593**	**$ 339,570**	**$ 4,396,908**	**$ 295,000**	**$ 170,000**
6203	**Wastewater Expansion**								
	101	General Government	1,003,918	19,648	-	-	-	-	-
	313	Wastewater Division	384	408	429	451	451	473	497
	Wastewater Expansion Total		**$ 1,004,302**	**$ 20,056**	**$ 429**	**$ 451**	**$ 451**	**$ 473**	**$ 497**
6301	**Local Transportation Transit Fund**								
	101	General Government	7,741	2,460	1,713	1,871	10,817	2,858	2,900
	Local Transportation Transit Fund Total		**$ 7,741**	**$ 2,460**	**$ 1,713**	**$ 1,871**	**$ 10,817**	**$ 2,858**	**$ 2,900**
6401	**Pier Enterprise Fund**								
	302	Engineering	94,085	831,186	294,158	182,346	227,385	82,272	82,272
	303	Facilities Division	-	-	13,499	-	-	-	-
	507	2017 Pier Bond Financing	750	529	-	-	-	-	-
	Pier Enterprise Fund Total		**$ 94,835**	**$ 831,715**	**$ 307,657**	**$ 182,346**	**$ 227,385**	**$ 82,272**	**$ 82,272**
6501	**Parking Enterprise Fund**								
	211	Police	-	-	5	82	-	-	-
	213	Operations	548,121	504,358	534,814	634,986	714,166	701,449	645,593
	301	Public Works	1,550	59,192	45,491	-	100,000	-	-
	302	Engineering	-	-	6,226	36,169	618,319	2,681,681	-
	Parking Enterprise Fund Total		**$ 549,671**	**$ 563,551**	**$ 586,535**	**$ 671,237**	**$ 1,432,485**	**$ 3,383,130**	**$ 645,593**
7101	**Technology Service Fund**								
	153	Information Technology	721,441	737,424	776,957	734,806	981,445	1,235,834	837,236
	Technology Service Fund Total		**$ 721,441**	**$ 737,424**	**$ 776,957**	**$ 734,806**	**$ 981,445**	**$ 1,235,834**	**$ 837,236**
7201	**Motor Vehicle Fund**								
	303	Facilities Division	851,570	1,087,161	1,229,275	668,399	1,212,429	768,110	1,433,775
	Motor Vehicle Fund Total		**$ 851,570**	**$ 1,087,161**	**$ 1,229,275**	**$ 668,399**	**$ 1,212,429**	**$ 768,110**	**$ 1,433,775**
Total			**$47,088,540**	**$ 60,542,579**	**$70,518,413**	**$ 47,090,878**	**$90,500,464**	**$ 92,049,985**	**$ 51,007,428**
Less Transfers			(11,089,747)	(19,941,618)	(19,970,194)	(7,798,593)	(18,211,922)	(15,794,594)	(6,457,160)
Total Net Expenditures			**$35,998,793**	**$ 40,600,961**	**$50,548,219**	**$ 39,292,285**	**$72,288,543**	**$ 76,255,391**	**$ 44,550,267**

FUND SUMMARIES

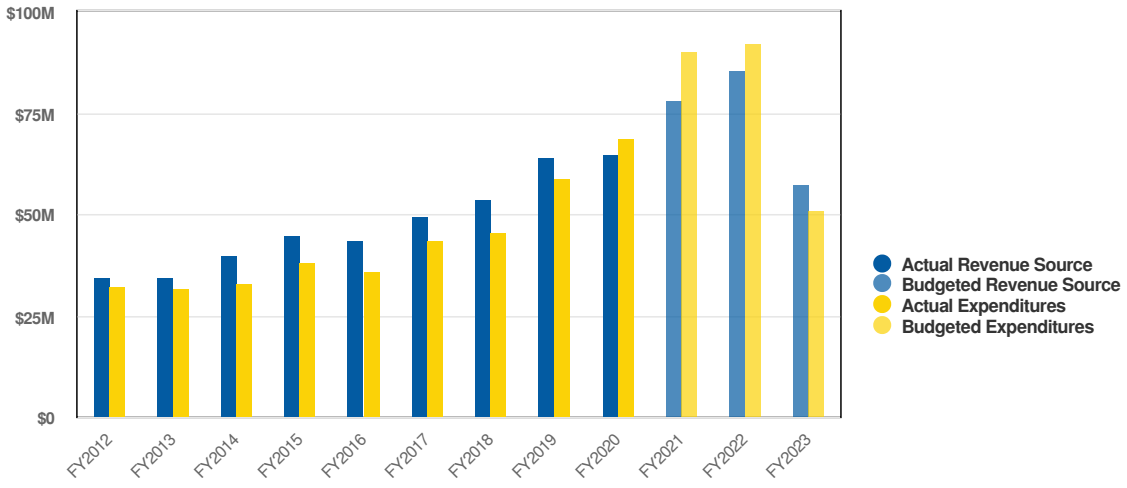


All Funds Operating Expenditures

The following charts and tables illustrate the categories of revenues and expenditures that make up the City's FY 2023 Adopted Operating Budget, net of transfers between funds. The components of the FY 2022 and FY 2023 Adopted Operating Budgets are similar and the percentages in FY 2022 are almost identical. Operating expenditures include all the ongoing revenues and expenditures necessary to maintain or enhance current operations and does not include one-time expenditures.

Summary

The City of Pismo Beach is projecting $85.73M of revenue in FY2022, which represents a 9.9% increase over the prior year. Budgeted expenditures are projected to increase by 1.7% or $1.55M to $92.05M in FY2022.



Expenditures by Fund

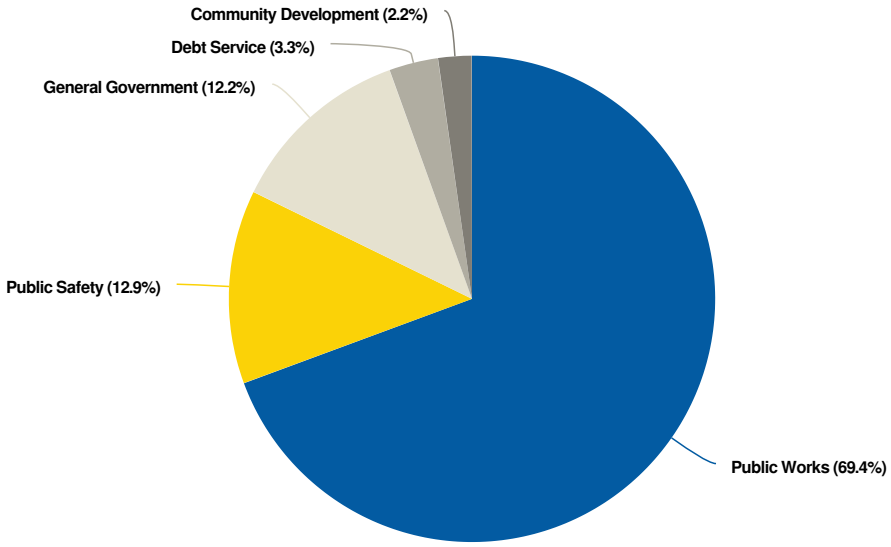
Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
All Funds									
General Fund									
General Fund	$22,852,976	$22,597,537	$26,160,604	$27,690,429	$31,962,647	$27,356,102	15.4%	16.8%	-14.4%
Half Cent Sales Tax Fund	$393,294	$1,365,200	$1,886,867	$2,676,745	$3,688,510	$389,000	37.8%	848.2%	-89.5%
Total General Fund:	**$23,246,270**	**$23,962,738**	**$28,047,471**	**$30,367,174**	**$35,651,157**	**$27,745,102**	**17.4%**	**28.5%**	**-22.2%**
Special Revenue Funds									
Gas Tax Fund	$150,052	$636,950	$340,000	$300,000	$465,000	$140,000	55%	232.1%	-69.9%

Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Local Transportation	$205,169	$443,236	$5,082	$5,611	$575,141	$5,173	10,150.2%	11,018.1%	-99.1%
Public Education Government Fund	$1,204	$57,388	$64,254	$34,732	$10,000	$10,000	-71.2%	0%	0%
Grants - Non-Capital	$116,792	$79,781	$0	$668,106	$150,000	$150,000	-77.5%	0%	0%
Housing In Lieu Fee	$14,352	$14,412	$10,976	$3,514,040	$12,107	$1,477	-99.7%	719.7%	-87.8%
Lodging Business Improvement	$1,000,554	$1,080,780	$5,625,600	$2,140,618	$1,742,473	$1,237,195	-18.6%	40.8%	-29%
Chapman Estate Fund	$283,643	$31,535	$55,311	$714,741	$74,420	$72,420	-89.6%	2.8%	-2.7%
Total Special Revenue Funds:	**$1,771,768**	**$2,344,082**	**$6,101,223**	**$7,377,847**	**$3,029,141**	**$1,616,265**	**-58.9%**	**87.4%**	**-46.6%**
Capital Projects Funds									
Capital Projects	$1,820,314	$5,974,631	$14,808,832	$18,271,877	$31,512,000	$1,155,000	72.5%	2,628.3%	-96.3%
Park Development Fund	$16,058	$1,036,724	$264,444	$392,977	$229,707	$4,943	-41.5%	4,547.1%	-97.8%
Circulation Fees	$140,511	$137,340	$76,115	$350,975	$0	$211,000	-100%	-100%	N/A
Impact Fees	$262,763	$377,416	$33,964	$618,269	$1,350	$1,418	-99.8%	-4.8%	5%
DIF Sunset Palisades Stairs	$1,854	$0	$3,067	$0	$0	$0	0%	0%	0%
Total Capital Projects Funds:	**$2,241,500**	**$7,526,111**	**$15,186,423**	**$19,634,098**	**$31,743,057**	**$1,372,361**	**61.7%**	**2,213%**	**-95.7%**
Debt Service Funds									
Public Financing Authority Debt Service	$391,843	$388,163	$393,995	$388,363	$390,988	$392,863	0.7%	-0.5%	0.5%
Public Financing Agency	$1,496,892	$3,551,164	$1,044,643	$713,509	$709,572	$1,638,048	-0.6%	-56.7%	130.9%
Visalia Street	$0	$0	$0	$85,000	$0	$0	-100%	0%	0%
Total Debt Service Funds:	**$1,888,735**	**$3,939,327**	**$1,438,638**	**$1,186,871**	**$1,100,560**	**$2,030,911**	**-7.3%**	**-45.8%**	**84.5%**
Proprietary Funds									
Water Enterprise Fund	$3,917,287	$4,938,733	$5,562,879	$9,926,808	$5,725,204	$6,112,638	-42.3%	-6.3%	6.8%
Water Tax Lopez State	$1,910,758	$1,895,962	$2,119,108	$2,326,753	$2,778,933	$2,778,933	19.4%	0%	0%
Water Construction Fund	$55,473	$1,197,800	$1,038,496	$2,630,017	$879,300	$1,110,800	-66.6%	-20.8%	26.3%

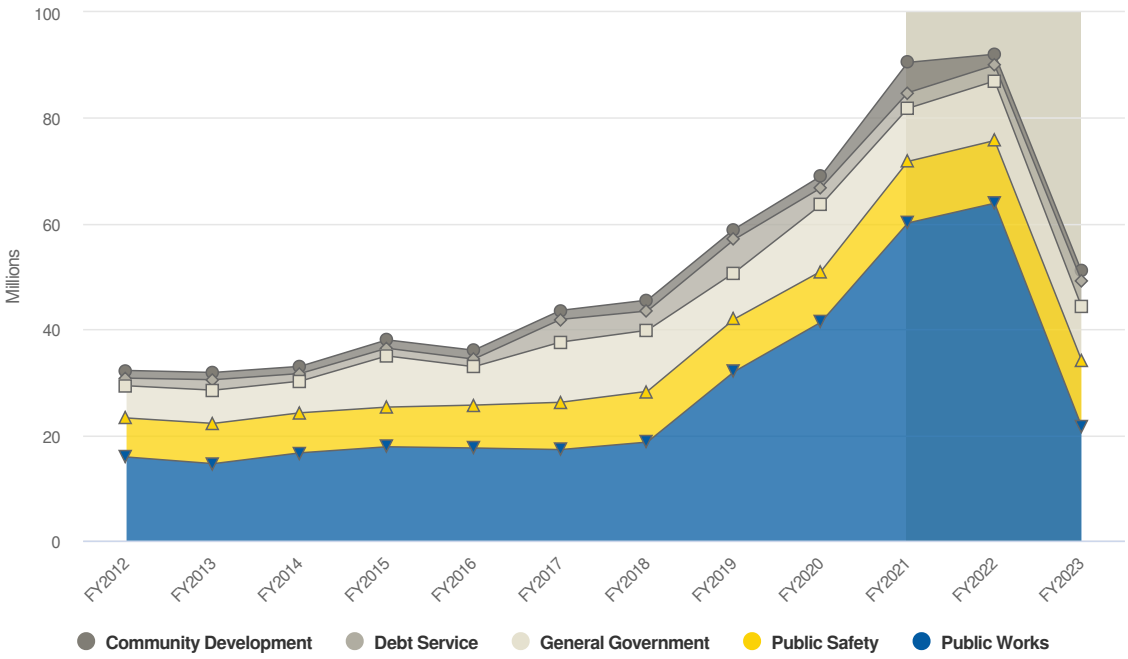
Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Water Expansion Fund	$883,136	$444,171	$0	$0	$0	$0	0%	0%	0%
Wastewater Treatment Fund	$4,175,841	$4,678,149	$5,296,397	$8,788,975	$5,374,955	$5,068,145	-38.8%	6.1%	-5.7%
Wastewater Capital Projects	$2,194,737	$4,773,415	$1,309,593	$4,396,908	$295,000	$170,000	-93.3%	73.5%	-42.4%
Wastewater Expansion	$1,004,302	$20,056	$429	$451	$473	$497	4.9%	-4.8%	5.1%
Local Transportation Transit Fund	$7,741	$2,460	$1,713	$10,817	$2,858	$2,900	-73.6%	-1.4%	1.5%
Pier Enterprise Fund	$94,835	$831,715	$307,657	$227,385	$82,272	$82,272	-63.8%	0%	0%
Parking Enterprise Fund	$549,671	$563,551	$586,535	$1,432,485	$3,383,130	$645,593	136.2%	424%	-80.9%
Total Proprietary Funds:	**$14,793,781**	**$19,346,013**	**$16,222,807**	**$29,740,599**	**$18,522,126**	**$15,971,777**	**-37.7%**	**16%**	**-13.8%**
Internal Services Funds									
Technology Service Fund	$721,441	$737,424	$776,957	$981,445	$1,235,834	$837,236	25.9%	47.6%	-32.3%
Motor Vehicle Fund	$851,570	$1,087,161	$1,229,275	$1,212,429	$768,110	$1,433,775	-36.6%	-46.4%	86.7%
Total Internal Services Funds:	**$1,573,010**	**$1,824,585**	**$2,006,232**	**$2,193,874**	**$2,003,944**	**$2,271,011**	**-8.7%**	**-11.8%**	**13.3%**
Total All Funds:	**$45,515,064**	**$58,942,856**	**$69,002,793**	**$90,500,464**	**$92,049,985**	**$51,007,428**	**1.7%**	**80.5%**	**-44.6%**

Expenditures by Function

Budgeted Expenditures by Function



Budgeted and Historical Expenditures by Function



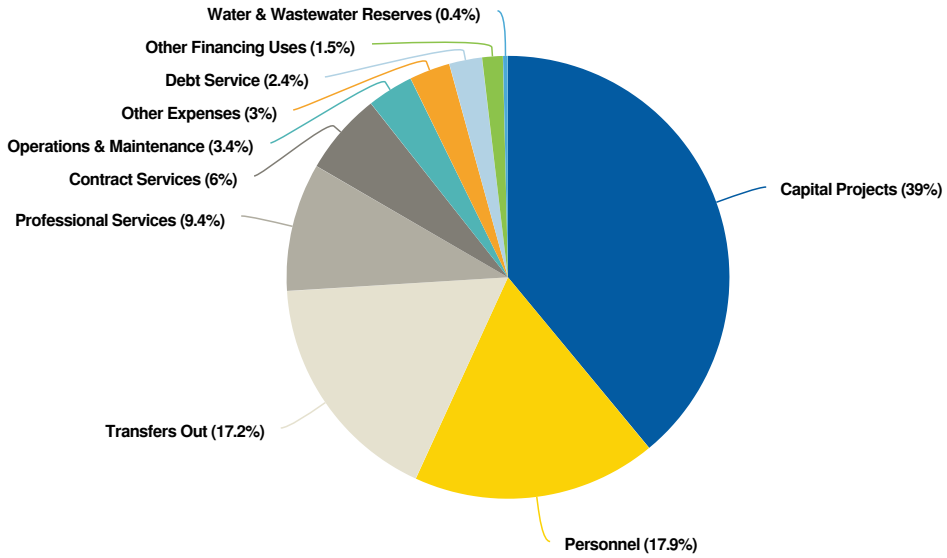
Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Expenditures									
General Government									
General Government	$2,139,824	$824,586	$19,504	$12,103	$4,208	$4,318	-65.2%	-2.5%	2.6%
Non-Department	$3,723,493	$1,677,320	$1,849,560	$1,790,548	$3,250,450	$3,236,411	81.5%	0.4%	-0.4%
City Council	$204,118	$221,178	$186,378	$198,057	$218,147	$225,545	10.1%	-3.3%	3.4%
City Manager	$471,922	$542,351	$504,332	$537,920	$472,335	$474,853	-12.2%	-0.5%	0.5%
Legal	$211,473	$428,440	$402,077	$610,659	$401,500	$401,500	-34.3%	0%	0%
Management Services	$577,764	$741,199	$796,582	$865,249	$874,144	$848,313	1%	3%	-3%
Administrative Services	$1,954,729	$1,944,280	$1,933,962	$2,392,348	$2,835,739	$2,161,177	18.5%	31.2%	-23.8%
Tourism & Events	$2,274,809	$2,390,881	$6,895,897	$3,631,029	$3,214,615	$2,779,837	-11.5%	15.6%	-13.5%
Total General Government:	**$11,558,132**	**$8,770,234**	**$12,588,291**	**$10,037,913**	**$11,271,138**	**$10,131,954**	**12.3%**	**11.2%**	**-10.1%**
Public Safety									
Police	$6,872,432	$7,064,126	$6,573,345	$8,724,216	$8,548,019	$8,547,122	-2%	0%	0%
Fire	$2,733,973	$2,889,535	$3,058,143	$2,925,697	$3,316,153	$3,946,424	13.3%	-16%	19%
Total Public Safety:	**$9,606,405**	**$9,953,661**	**$9,631,487**	**$11,649,912**	**$11,864,173**	**$12,493,547**	**1.8%**	**-5%**	**5.3%**
Public Works									
Engineering	$3,181,542	$7,300,129	$16,096,472	$15,668,772	$32,934,744	$1,387,042	110.2%	2,274.5%	-95.8%
Public Works	$4,486,375	$8,690,209	$11,334,999	$17,926,977	$17,500,071	$6,665,578	-2.4%	162.5%	-61.9%
Water	$5,759,404	$7,895,731	$8,630,031	$14,778,223	$9,256,584	$9,889,702	-37.4%	-6.4%	6.8%
Wastewater	$5,216,298	$8,091,546	$5,280,930	$11,737,667	$4,159,290	$3,740,837	-64.6%	11.2%	-10.1%
Total Public Works:	**$18,643,618**	**$31,977,614**	**$41,342,432**	**$60,111,639**	**$63,850,690**	**$21,683,159**	**6.2%**	**194.5%**	**-66%**
Community Development									
Community Development	$2,057,494	$1,966,108	$2,240,261	$5,734,986	$2,059,997	$1,807,142	-64.1%	14%	-12.3%
Total Community Development:	**$2,057,494**	**$1,966,108**	**$2,240,261**	**$5,734,986**	**$2,059,997**	**$1,807,142**	**-64.1%**	**14%**	**-12.3%**
Debt Service									
Debt Service	$3,649,414	$6,275,238	$3,200,322	$2,966,014	$3,003,987	$4,891,626	1.3%	-38.6%	62.8%
Total Debt Service:	**$3,649,414**	**$6,275,238**	**$3,200,322**	**$2,966,014**	**$3,003,987**	**$4,891,626**	**1.3%**	**-38.6%**	**62.8%**

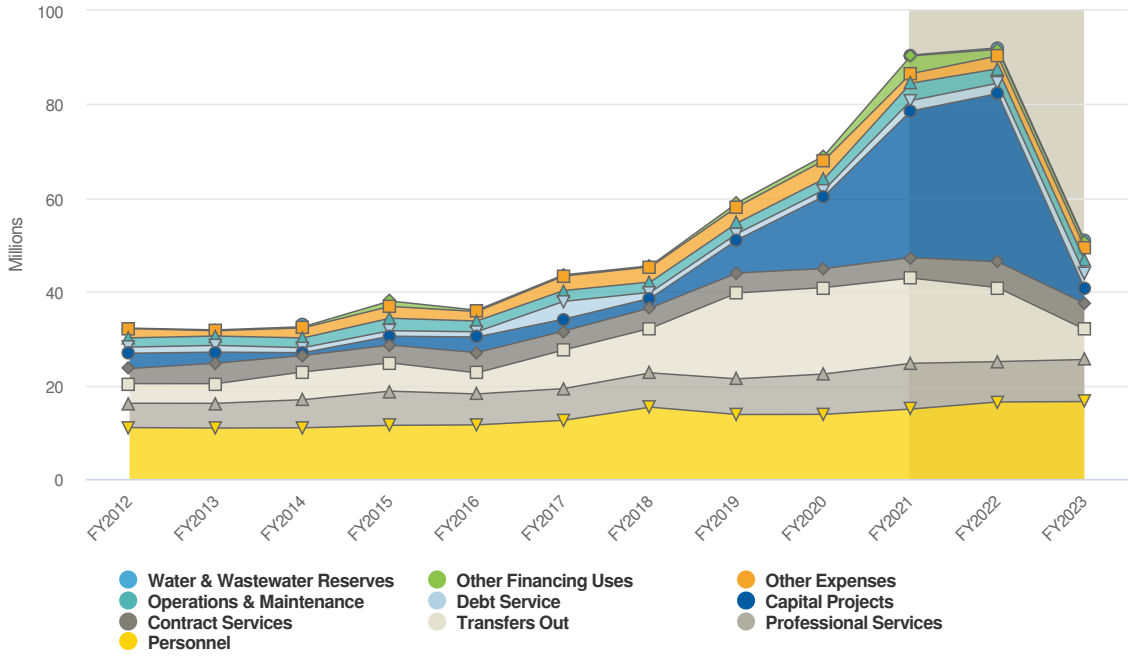
Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Total Expenditures:	$45,515,064	$58,942,856	$69,002,793	$90,500,464	$92,049,985	$51,007,428	1.7%	80.5%	-44.6%

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Grey background indicates budgeted figures.

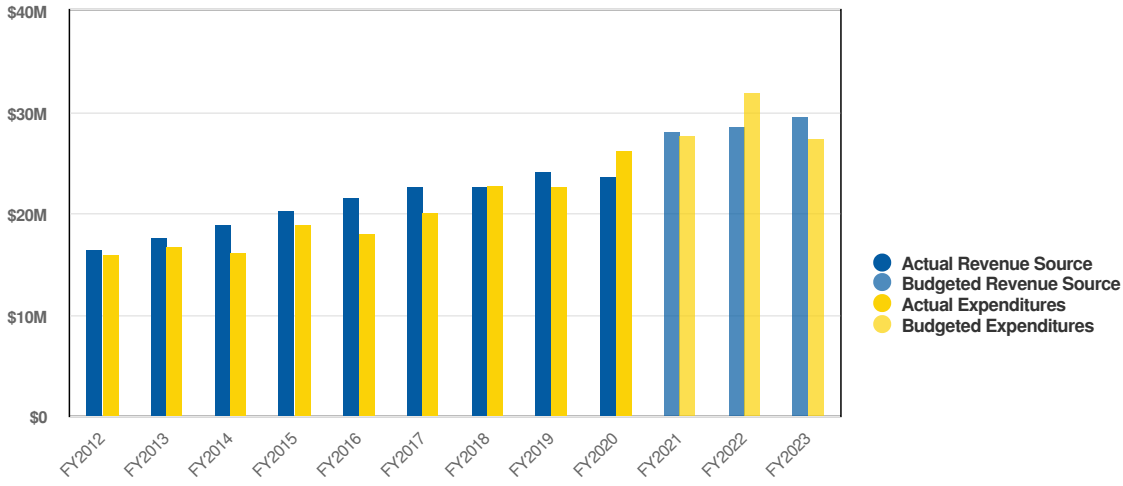
Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Expense Objects									
Personnel	$15,323,635	$13,755,948	$13,785,366	$14,915,007	$16,434,762	$16,518,204	10.2%	-0.5%	0.5%
Professional Services	$7,321,608	$7,616,441	$8,617,823	$9,763,695	$8,621,200	$8,975,494	-11.7%	-3.9%	4.1%
Contract Services	$4,373,085	$4,258,158	$4,069,247	$4,371,171	$5,528,926	$5,582,124	26.5%	-1%	1%
Operations & Maintenance	$2,210,814	$2,268,144	$2,371,111	$3,705,060	$3,098,907	$2,877,021	-16.4%	7.7%	-7.2%
Other Expenses	$3,236,382	$3,448,396	$3,945,951	$2,031,905	$2,740,404	$2,789,687	34.9%	-1.8%	1.8%
Water & Wastewater Reserves	$0	$0	$0	$181,000	$331,000	$331,000	82.9%	0%	0%
Capital Projects	$2,039,369	$7,077,884	$15,433,947	$31,287,694	$35,898,881	$3,168,900	14.7%	1,032.8%	-91.2%
Debt Service	$1,270,254	$1,336,502	$1,328,485	$2,236,187	$2,205,611	$3,137,837	-1.4%	-29.7%	42.3%
Other Financing Uses	$223,648	$839,489	$996,289	$3,796,825	$1,395,700	$1,170,000	-63.2%	19.3%	-16.2%
Transfers Out	$9,516,271	$18,341,895	$18,454,574	$18,211,922	$15,794,594	$6,457,160	-13.3%	144.6%	-59.1%
Total Expense Objects:	**$45,515,064**	**$58,942,856**	**$69,002,793**	**$90,500,464**	**$92,049,985**	**$51,007,428**	**1.7%**	**80.5%**	**-44.6%**

General Fund

The General Fund is the City's largest and most discretionary fund. General Fund dollars are used for a variety of services including police and fire protection and for several important maintenance and capital projects. At the time of budget preparation, staff's estimate was that the General Fund would close FY 2021 with an unassigned fund balance of $10.0 million to be carried forward as the beginning fund balance for FY 2022. This unassigned fund balance represents uncommitted amounts carried over from FY 2020 plus the estimated excess of revenues over expenditures for FY 2021.

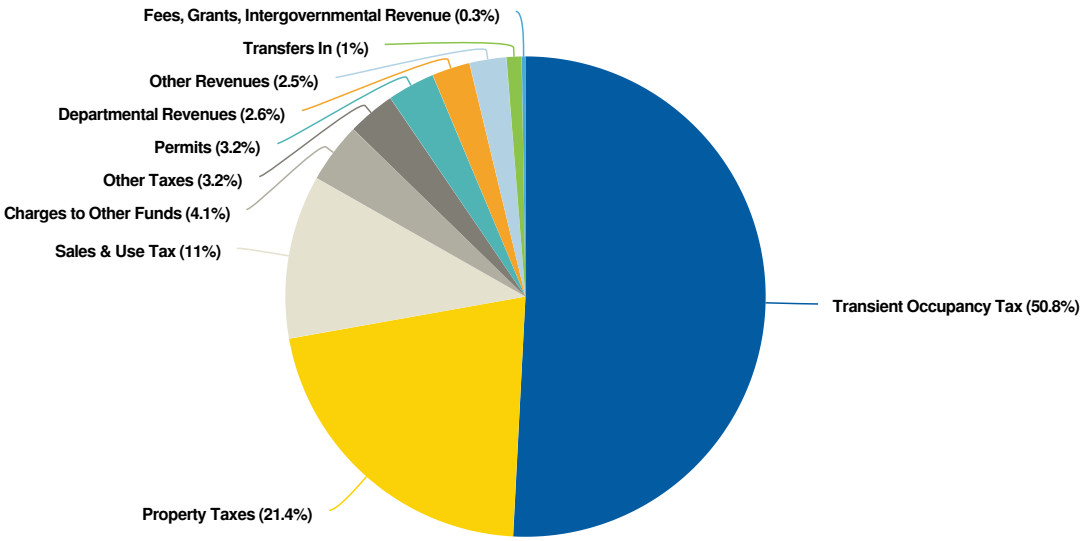
Summary

The City of Pismo Beach is projecting $30.03**M** of revenue in FY 2022, which represents a 1% increase over the prior year. Budgeted expenditures are projected to increase by 15.4% or $4.27**M** to $31.96**M** in FY 2022.

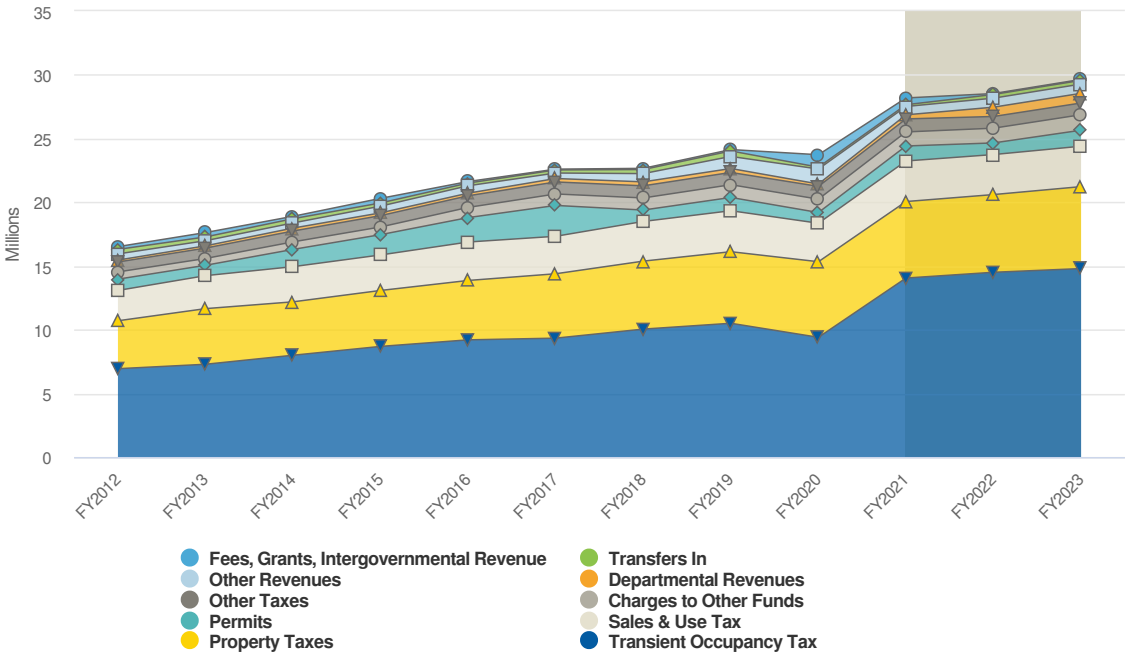


Revenues by Source

Projected 2022 Revenues by Source



Budgeted and Historical 2022 Revenues by Source

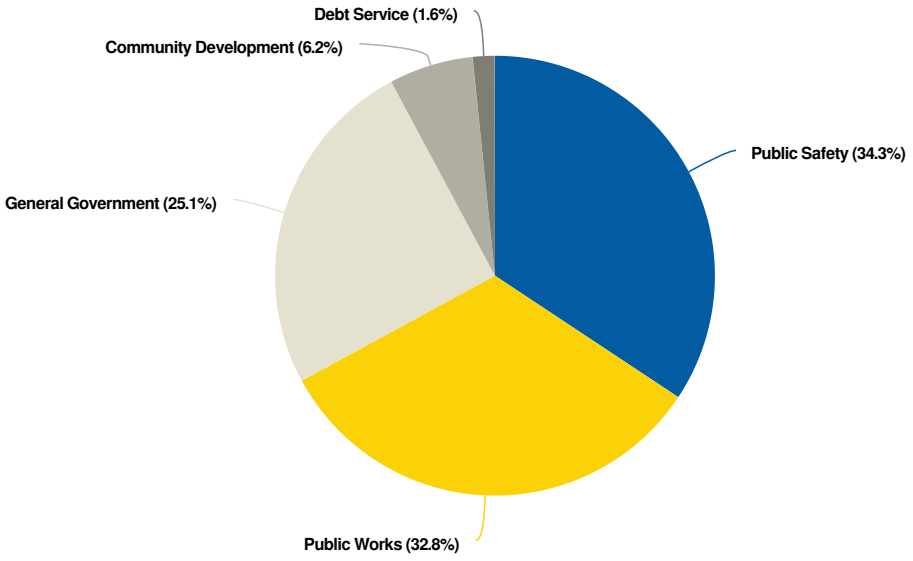


Grey background indicates budgeted figures.

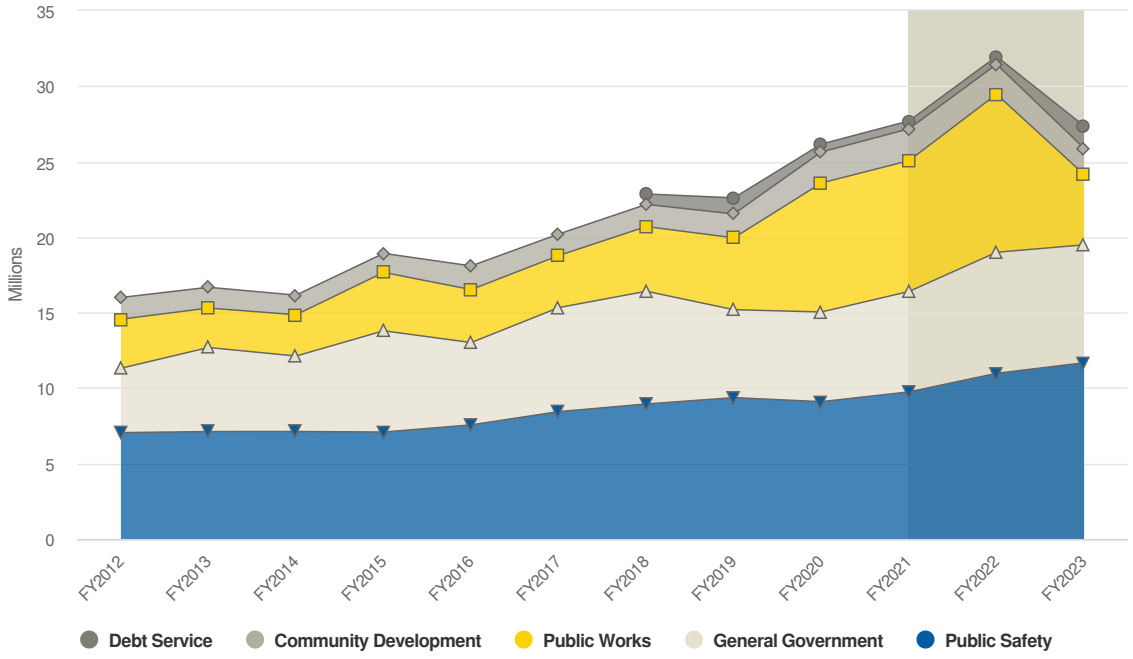
Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Revenue Source								
Property Taxes	$5,336,772	$5,619,427	$5,935,388	$6,006,538	$6,100,458	$6,434,971	1.6%	5.5%
Sales & Use Tax	$3,115,529	$3,215,916	$3,021,448	$3,184,151	$3,141,335	$3,172,748	-1.3%	1%
Transient Occupancy Tax	$10,039,921	$10,498,160	$9,395,523	$14,048,418	$14,501,700	$14,791,000	3.2%	2%
Other Taxes	$952,862	$963,354	$1,003,495	$1,023,296	$919,344	$919,895	-10.2%	0.1%
Permits	$894,719	$1,042,359	$839,257	$1,176,947	$912,245	$1,256,403	-22.5%	37.7%
Other Revenues	$647,120	$949,026	$1,174,764	$654,165	$707,997	$726,764	8.2%	2.7%
Charges to Other Funds	$950,004	$1,000,008	$1,050,000	$1,102,500	$1,157,625	$1,215,506	5%	5%
Fees, Grants, Intergovernmental Revenue	$93,862	$111,321	$977,188	$531,248	$71,534	$76,534	-86.5%	7%
Departmental Revenues	$309,818	$307,975	$187,346	$320,036	$731,000	$760,380	128.4%	4%
Transfers In	$320,521	$429,462	$146,489	$140,000	$290,000	$290,000	107.1%	0%
Total Revenue Source:	**$22,661,127**	**$24,137,008**	**$23,730,899**	**$28,187,299**	**$28,533,238**	**$29,644,201**	**1.2%**	**3.9%**

Expenditures by Function

Budgeted Expenditures by Function



Budgeted and Historical Expenditures by Function

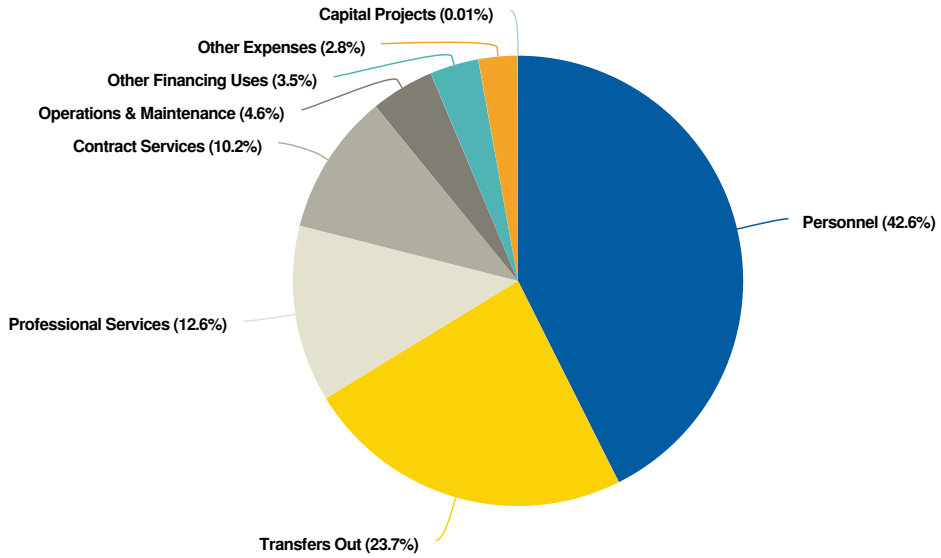


Grey background indicates budgeted figures.

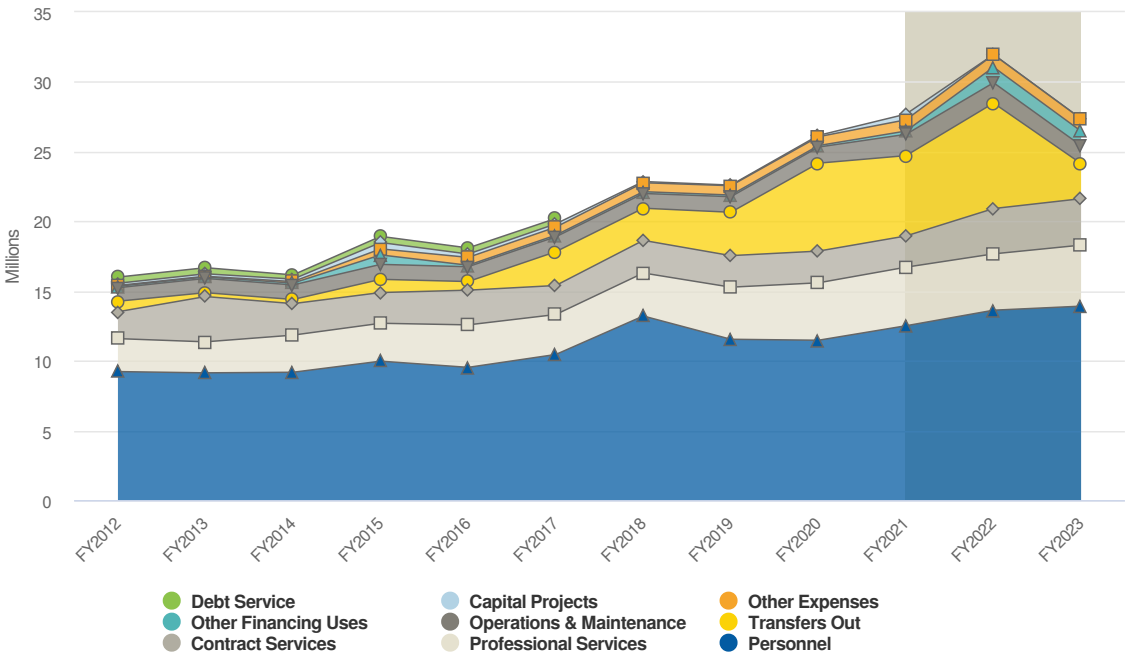
Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Expenditures									
General Government	$7,467,167	$5,824,881	$5,940,280	$6,651,625	$8,017,359	$7,811,205	20.5%	2.6%	-2.6%
Public Safety	$8,941,491	$9,363,530	$9,095,824	$9,743,728	$10,972,724	$11,672,954	12.6%	-6%	6.4%
Public Works	$4,286,568	$4,758,907	$8,545,416	$8,666,529	$10,472,395	$4,656,457	20.8%	124.9%	-55.5%
Community Development	$1,468,808	$1,581,066	$2,054,293	$2,107,698	$1,980,132	$1,739,907	-6.1%	13.8%	-12.1%
Debt Service	$688,943	$1,069,152	$524,791	$520,848	$520,037	$1,475,579	-0.2%	-64.8%	183.7%
Total Expenditures:	**$22,852,976**	**$22,597,537**	**$26,160,604**	**$27,690,429**	**$31,962,647**	**$27,356,102**	**15.4%**	**16.8%**	**-14.4%**

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



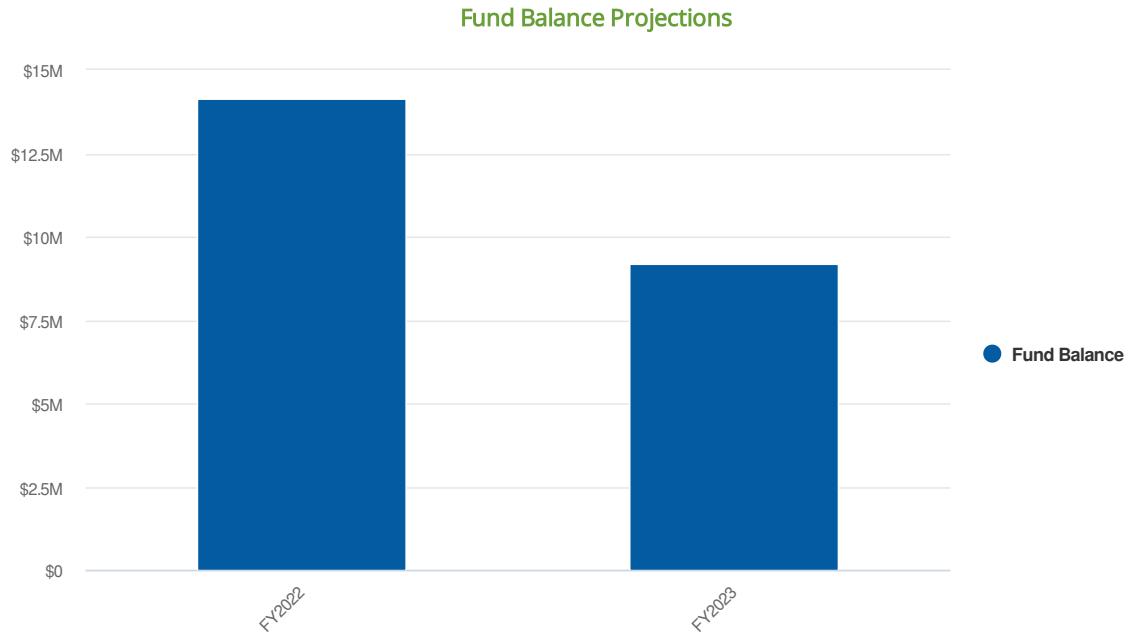
Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Expense Objects									
Personnel	$13,205,227	$11,536,020	$11,466,016	$12,505,056	$13,621,683	$13,911,356	8.9%	-2.1%	2.1%
Professional Services	$3,085,099	$3,737,141	$4,119,849	$4,201,565	$4,040,986	$4,379,280	-3.8%	-7.7%	8.4%
Contract Services	$2,341,271	$2,262,489	$2,275,208	$2,241,250	$3,251,010	$3,330,845	45.1%	-2.4%	2.5%
Operations & Maintenance	$1,058,360	$1,116,714	$1,154,274	$1,528,198	$1,461,508	$1,287,364	-4.4%	13.5%	-11.9%
Other Expenses	$641,795	$669,379	$637,687	$806,021	$896,030	$888,378	11.2%	0.9%	-0.9%
Capital Projects	$86,300	$44,472	$92,083	$409,054	$4,500	$4,500	-98.9%	0%	0%
Other Financing Uses	$128,203	$118,845	$106,087	$236,000	$1,120,000	$1,035,000	374.6%	8.2%	-7.6%
Transfers Out	$2,306,722	$3,112,477	$6,309,400	$5,763,284	$7,566,930	$2,519,379	31.3%	200.3%	-66.7%
Total Expense Objects:	**$22,852,976**	**$22,597,537**	**$26,160,604**	**$27,690,429**	**$31,962,647**	**$27,356,102**	**15.4%**	**16.8%**	**-14.4%**

Fund Balance

The following table displays the General Fund projected ending fund balances for FY 2022 and FY 2023. The FY 2022 projected ending available (or unassigned) fund balance is $10.19 million, including $7.19 million of unassigned fund balance, $2.00 million for a Budget Stabilization set-aside, and $1.00 million for the CalPERS Prepayment set-aside (to pay down the City's CalPERS unfunded pension liability). The FY 2023 ending available (or unassigned) fund balance is $11.05 million, including $8.05 million of unassigned fund balance, $2.00 million for the Budget Stabilization set-aside, and 1.00 million for the CalPERS Prepayment set-aside.

It should be noted that the CalPERS Prepayment set-aside includes salary and benefit budget savings from previous fiscal years that have been carried forward to FY 2022 and FY 2023 to pay down the City's CalPERS unfunded pension liability. Going forward, any personnel budget savings in FY 2022 and FY 2023 will be set aside for the following year to make an early spring CalPERS prepayment. These prepayments pay down the City's CalPERS unfunded liability to significantly reduce the 7.0% interest costs (the discount rate).

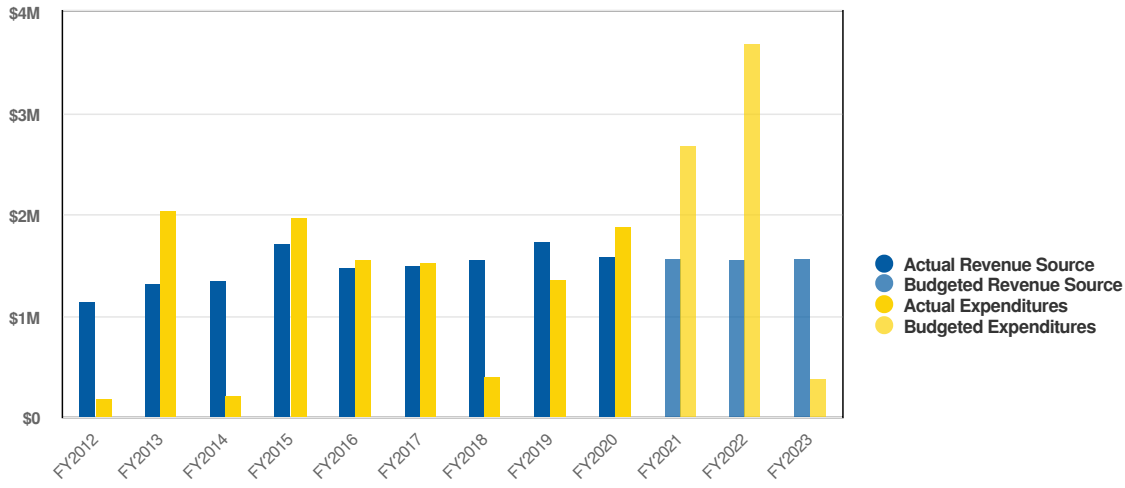


Half Cent Sales Tax Fund

On June 3, 2008, the voters of Pismo Beach approved Measure "C," a .50% (half-cent) transactions sales and use tax that became effective October 1, 2008. All proceeds of the tax are accounted for in the City of Pismo Beach General Fund and may be used for any lawful purpose as designated by the City Council. The first local measure included a six-and-one-half-year sunset clause and expired on March 31, 2015. On November 4, 2014, the voters approved another Measure, Measure "I," the .50% transactions sales and use tax to be effective April 1, 2015. The second local measure includes a 12-year sunset clause and will expire on March 31, 2027. The adopted two-year budget provides vital funding to repair and improve the City's infrastructure. The City of Pismo Beach has set up a separate fund to track the specific revenues and expenditures that are generated by the .50% transaction sales and use tax.

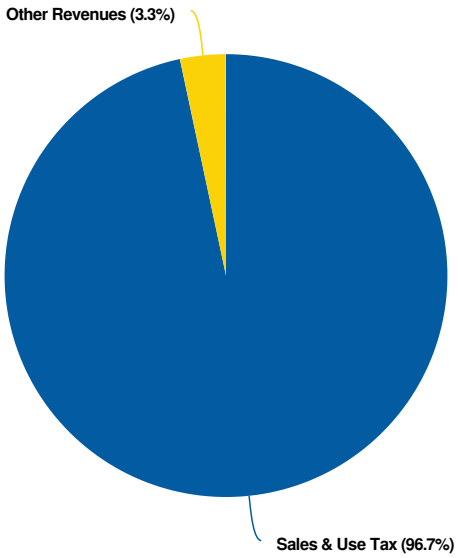
Summary

The City of Pismo Beach is projecting $1.55M of revenue in FY 2022, which represents a 1.5% decrease over the prior year. Budgeted expenditures are projected to increase by 37.8% or $1.01M to $3.69M in FY 2022.

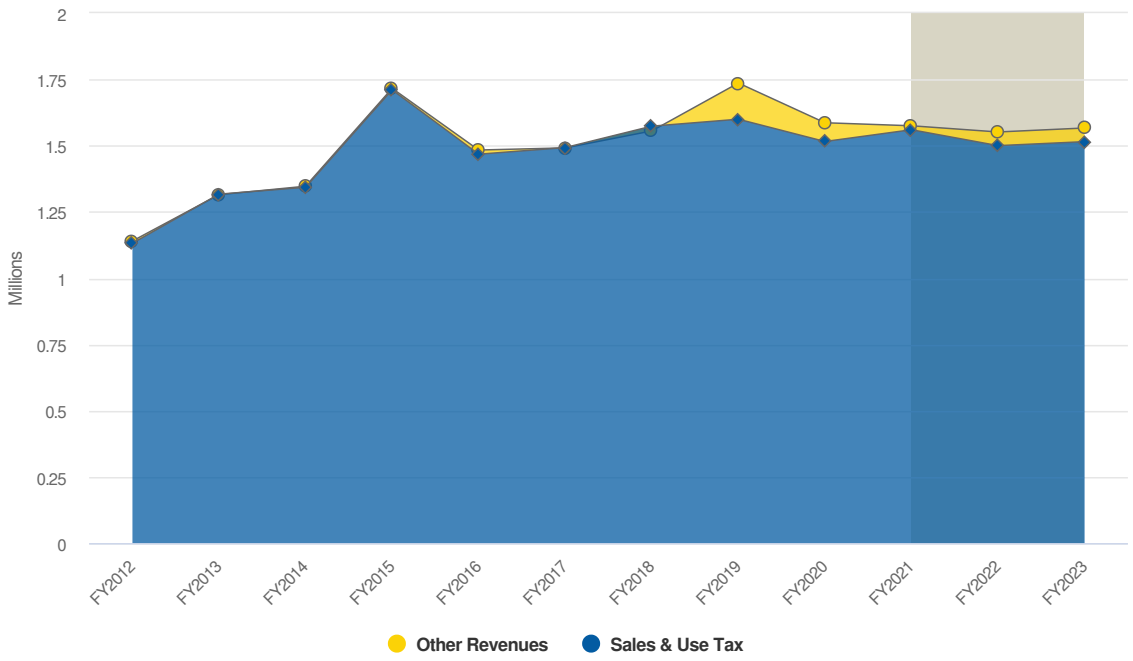


Revenues by Source

Projected 2022 Revenues by Source



Budgeted and Historical 2022 Revenues by Source



Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Revenue Source									
Sales & Use Tax	$1,573,476	$1,599,724	$1,515,620	$1,560,000	$1,500,000	$1,515,000	-3.8%	-1%	1%
Other Revenues	-$17,944	$136,644	$70,810	$15,000	$51,600	$51,600	244%	0%	0%
Total Revenue Source:	**$1,555,532**	**$1,736,368**	**$1,586,430**	**$1,575,000**	**$1,551,600**	**$1,566,600**	**-1.5%**	**-1%**	**1%**

Expenditures by Expense Type

The FY 2022 & FY 2023 budget for the Half-Cent Sales Tax Fund includes the following:

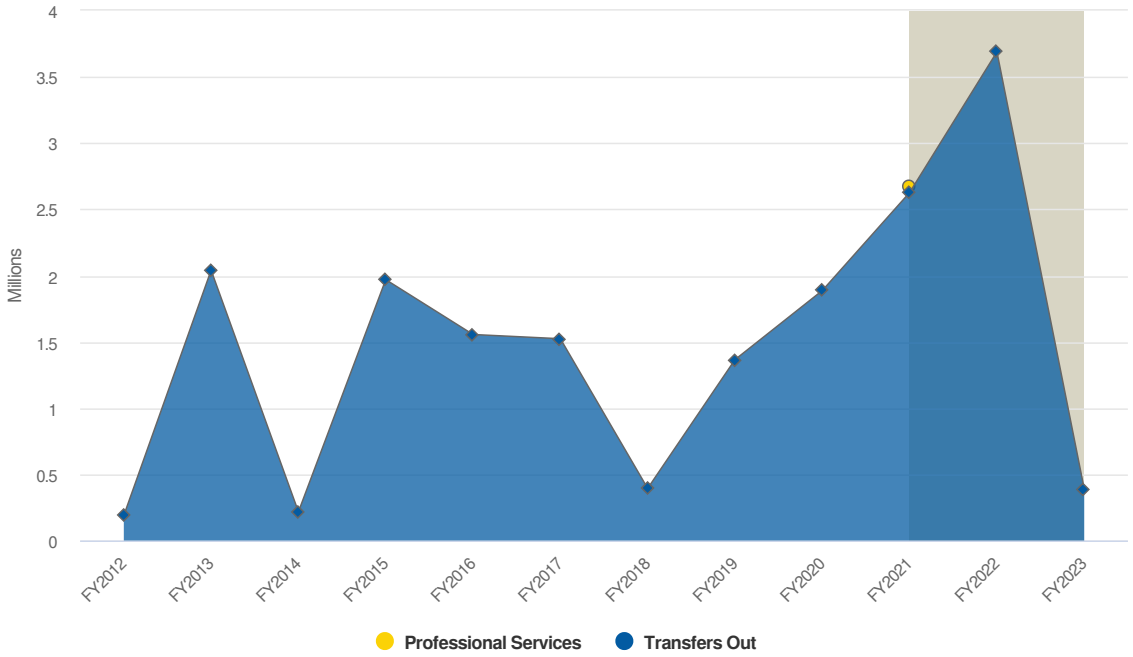
FY 2022 Half-Cent Sales Tax Project Budgets

Project	FY 2022 Amount
Ocean Boulevard Improvements	$578,510
Tennis Basketball Court relocation	335,000
FY 2022 Paving Project	2,775,000
Total	$3,688,510

FY 2023 Half-Cent Sales Tax Project Budgets

Project	FY 2023 Amount
Signalize Bello/Price Canyn Rd	$389,000

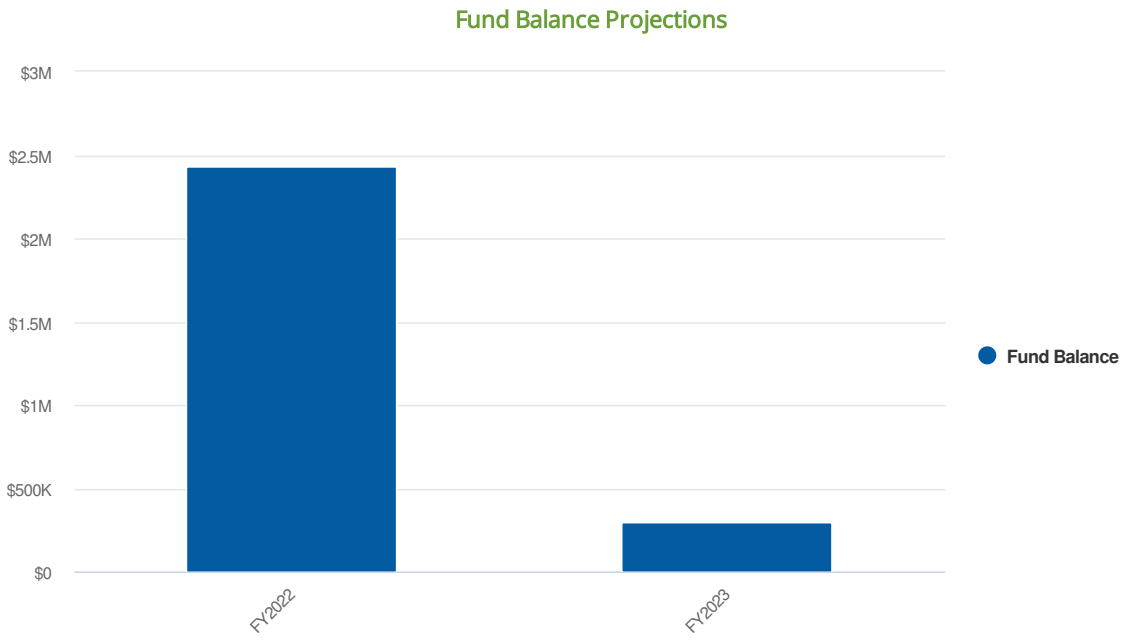
Budgeted and Historical Expenditures by Expense Type



Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Expense Objects									
Professional Services	$0	$0	$0	$50,000	$0	$0	-100%	0%	0%
Transfers Out	$393,294	$1,365,200	$1,886,867	$2,626,745	$3,688,510	$389,000	40.4%	848.2%	-89.5%
Total Expense Objects:	**$393,294**	**$1,365,200**	**$1,886,867**	**$2,676,745**	**$3,688,510**	**$389,000**	**37.8%**	**848.2%**	**-89.5%**

Fund Balance

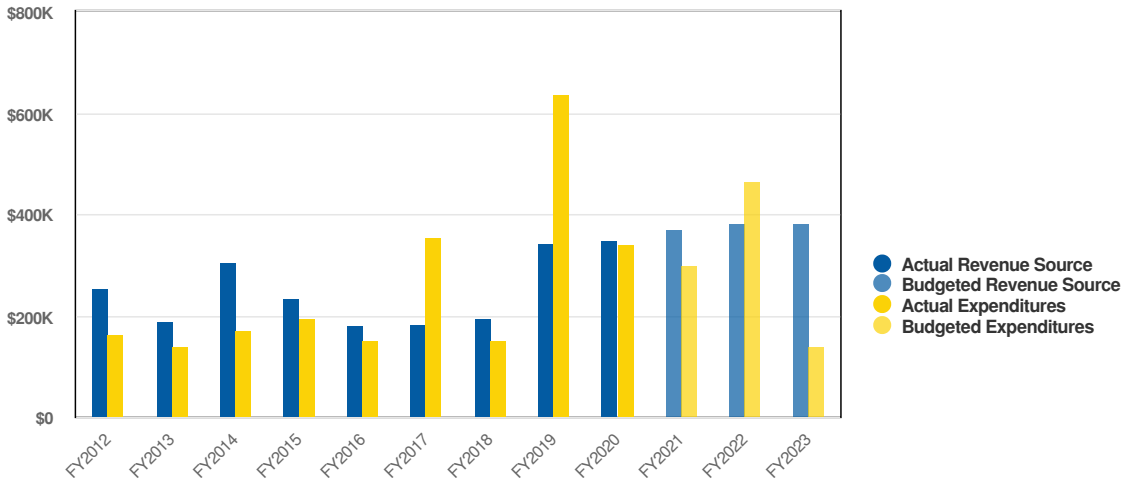


Gas Tax Fund

This activity accounts for state gas tax funds received by the City according to the state's allocation formula. Pursuant to current City policy, these funds are used for 100% of City Street light costs; 100% of City traffic signal maintenance costs; all street sweeping costs, except for parking lots which are not eligible to use gas tax funds; and with the balance of annual revenues, if any, used for street repairs and/or capital improvements. Beginning in FY 2001, gas tax revenues were transferred to the General Fund and the appropriations for streetlights, signal maintenance and street sweeping expenses were included in the General Fund street maintenance budget.

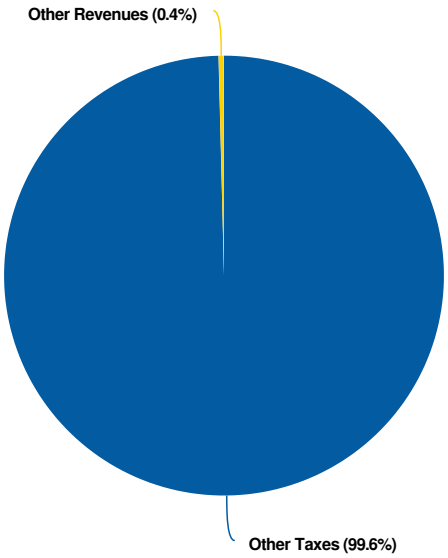
Summary

The City of Pismo Beach is projecting $382.89K of revenue in FY2022, which represents a 3.5% increase over the prior year. Budgeted expenditures are projected to increase by 55% or $165K to $465K in FY2022.

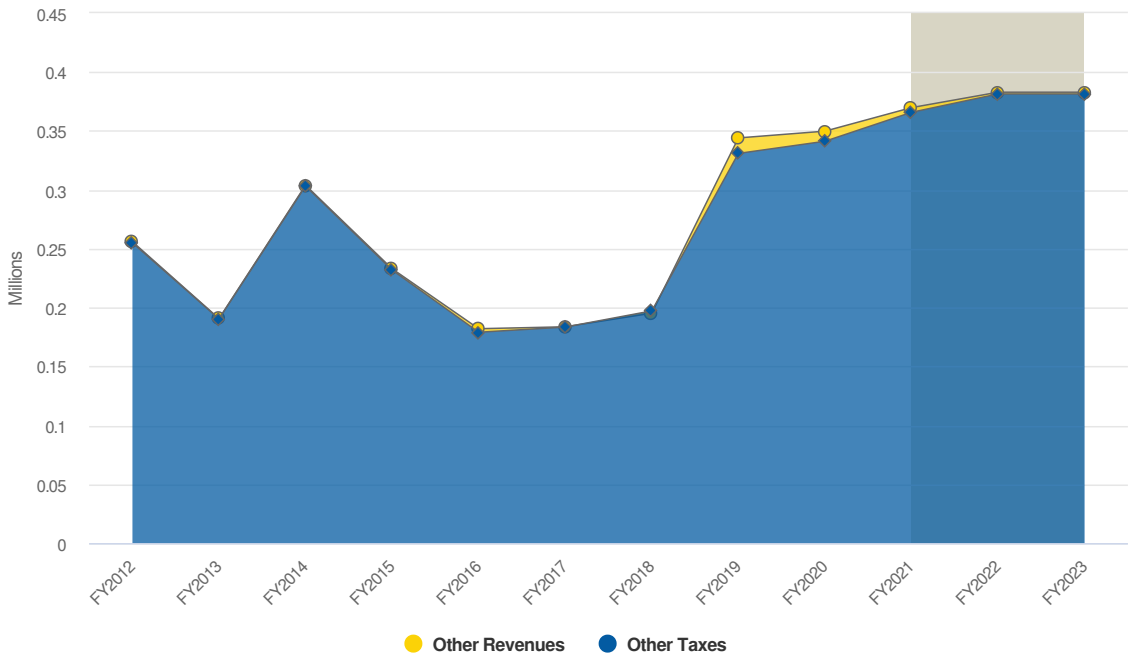


Revenues by Source

Projected 2022 Revenues by Source



Budgeted and Historical 2022 Revenues by Source

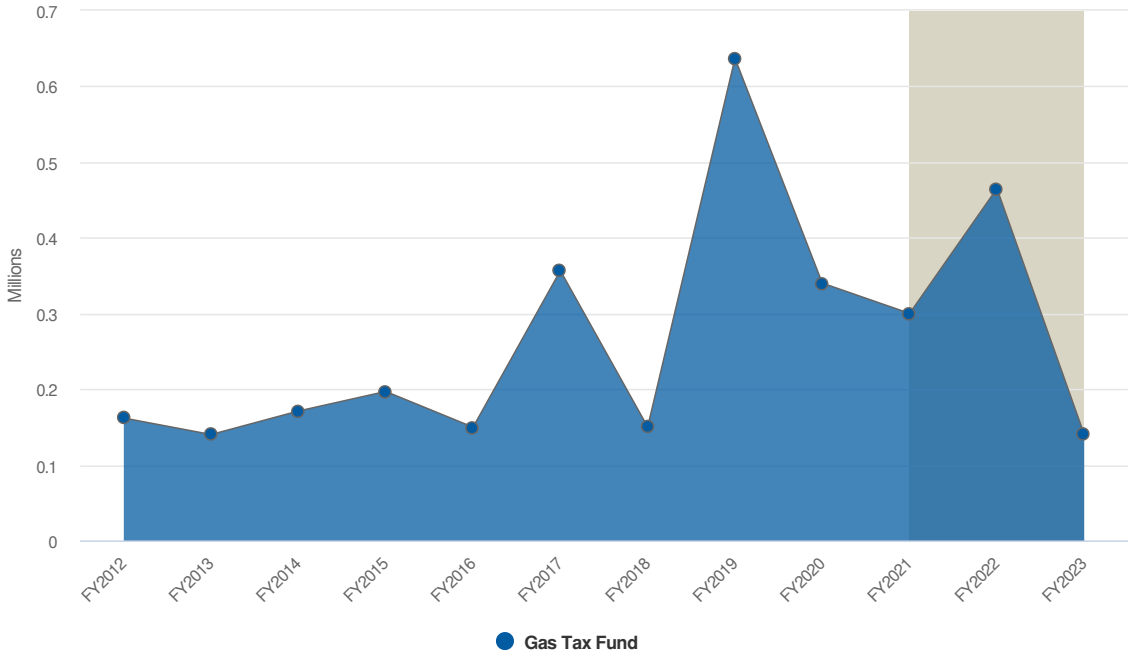


Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Revenue Source									
Other Taxes									
Gas Tax 2103	$29,427	$27,504	$56,811	$70,217	$72,783	$72,783	3.7%	0%	0%
Gas Tax 2105	$40,695	$45,171	$42,028	$45,802	$47,425	$47,425	3.5%	0%	0%
Gas Tax 2106	$34,951	$39,140	$35,345	$37,734	$37,799	$37,799	0.2%	0%	0%
Gas Tax 2107	$54,091	$56,808	$53,068	$60,145	$60,353	$60,353	0.3%	0%	0%
Gas Tax 2107.5	$0	$2,000	$2,000	$2,000	$2,000	$2,000	0%	0%	0%
RMRA Funds	$38,016	$150,978	$142,698	$140,534	$161,029	$161,029	14.6%	0%	0%
Loan Repay	$0	$9,284	$9,262	$9,361	$0	$0	-100%	0%	0%
Total Other Taxes:	**$197,179**	**$330,887**	**$341,213**	**$365,793**	**$381,389**	**$381,389**	**4.3%**	**0%**	**0%**
Other Revenues									
Interest	$4,228	$5,637	$3,532	$4,000	$1,500	$1,500	-62.5%	0%	0%
Mark to Mkt Gain/Loss	-$6,229	$7,524	$5,055	$0	$0	$0	0%	0%	0%
Total Other Revenues:	**-$2,001**	**$13,161**	**$8,587**	**$4,000**	**$1,500**	**$1,500**	**-62.5%**	**0%**	**0%**
Total Revenue Source:	**$195,178**	**$344,048**	**$349,800**	**$369,793**	**$382,889**	**$382,889**	**3.5%**	**0%**	**0%**

Expenditures by Fund

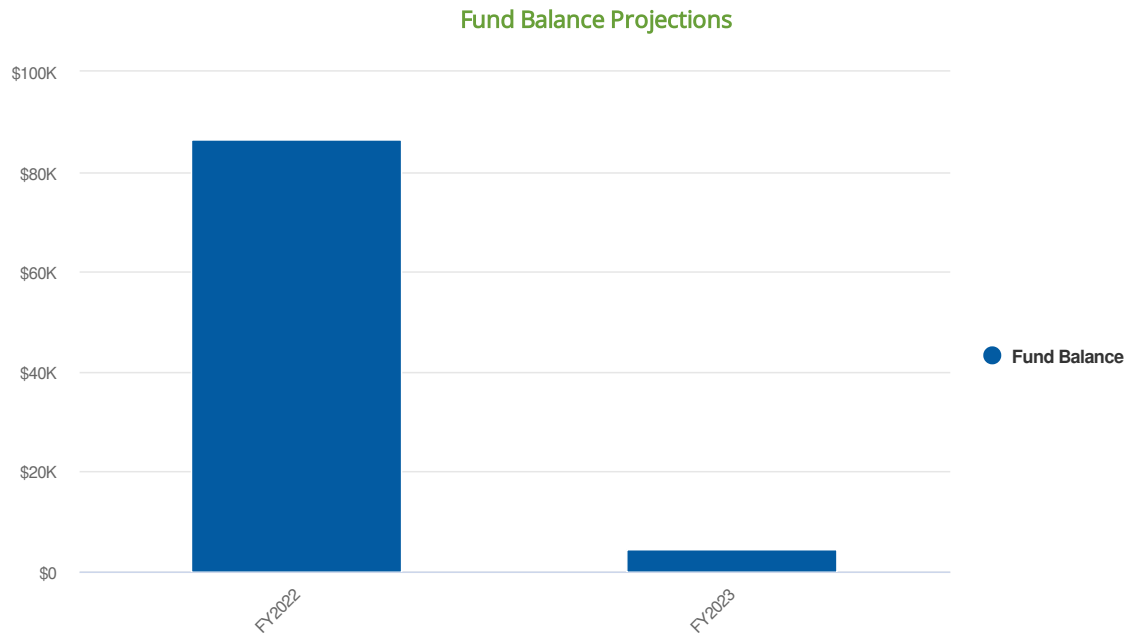
Budgeted and Historical 2022 Expenditures by Fund



Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Gas Tax Fund									
Transfers Out	$150,052	$636,950	$340,000	$300,000	$465,000	$140,000	55%	232.1%	-69.9%
Total Gas Tax Fund:	**$150,052**	**$636,950**	**$340,000**	**$300,000**	**$465,000**	**$140,000**	**55%**	**232.1%**	**-69.9%**

Fund Balance

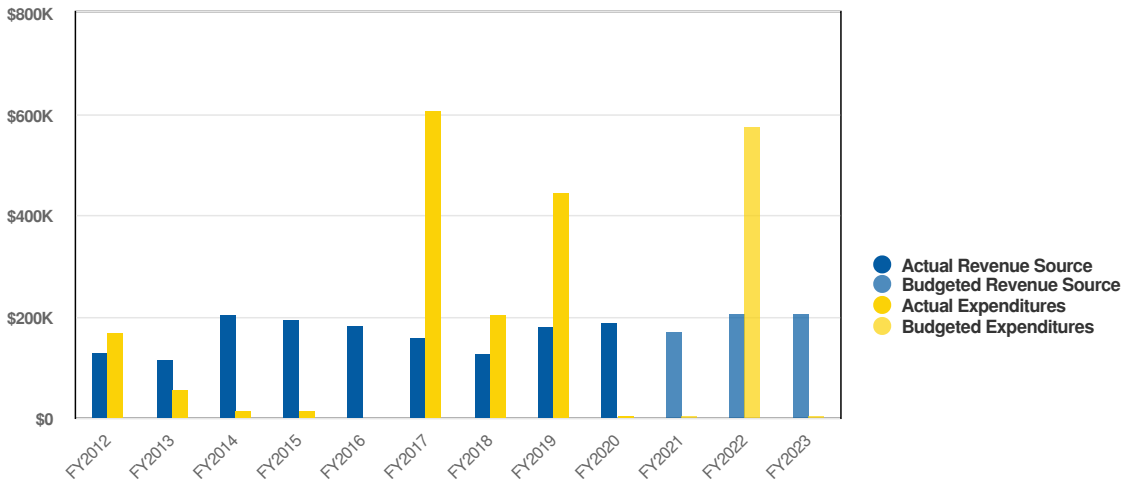


Local Transportation

The Local Transportation Fund—Street Construction is used for the construction and maintenance of streets, bluff protection, and beach access. Revenues for this fund consist of State Transportation Development Act funds, which remain after funds are allocated for regional transit (SLORTA), local transit (SCAT) and Dial-a-Ride services.

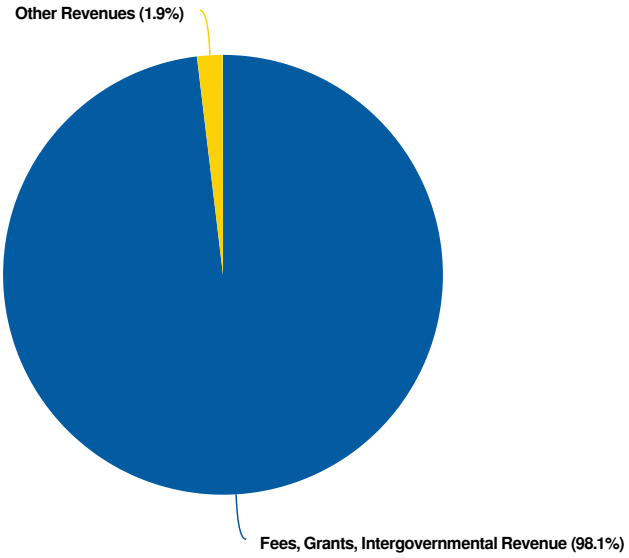
Summary

The City of Pismo Beach is projecting $206.48K of revenue in FY2022, which represents a 19.4% increase over the prior year. Budgeted expenditures are projected to increase by 0.9% or $569.53K to $575.14K in FY2022.

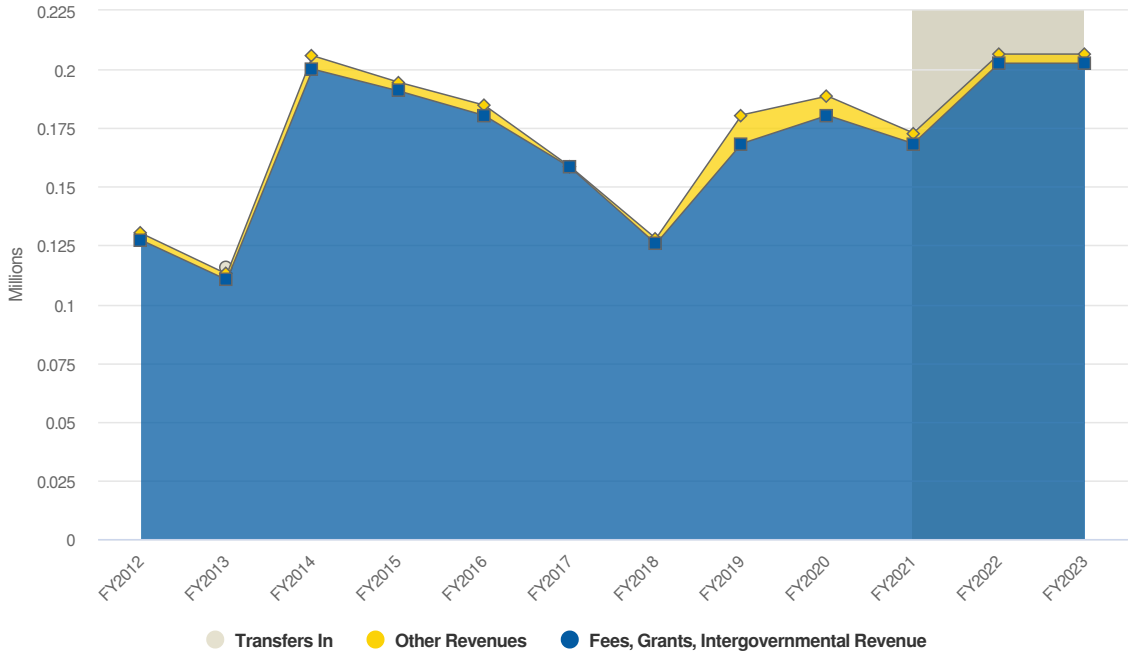


Revenues by Source

Projected 2022 Revenues by Source



Budgeted and Historical 2022 Revenues by Source



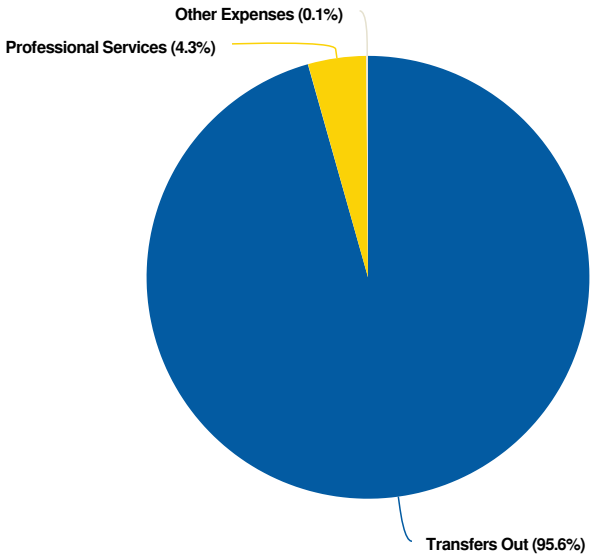
Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Revenue Source									
Other Revenues									
Interest	$4,560	$2,675	$1,784	$2,000	$1,400	$1,400	-30%	0%	0%
Misc Revenue	$2,500	$2,500	$2,500	$2,500	$2,500	$2,500	0%	0%	0%
Mark to Mkt Gain/Loss	-$4,814	$7,006	$3,933	$0	$0	$0	0%	0%	0%
Total Other Revenues:	**$2,245**	**$12,181**	**$8,218**	**$4,500**	**$3,900**	**$3,900**	**-13.3%**	**0%**	**0%**
Fees, Grants, Intergovernmental Revenue									
State Gov't Grants	-$1,686	$0	$0	$0	$0	$0	0%	0%	0%
Local Transp Tax	$111,900	$161,294	$173,103	$161,294	$196,500	$196,500	21.8%	0%	0%
LTF-Bikepaths	$6,104	$7,092	$7,283	$7,092	$6,083	$6,083	-14.2%	0%	0%
LTF - Traffic Congestion	$9,375	$0	$0	$0	$0	$0	0%	0%	0%
Total Fees, Grants, Intergovernmental Revenue:	**$125,693**	**$168,386**	**$180,386**	**$168,386**	**$202,583**	**$202,583**	**20.3%**	**0%**	**0%**

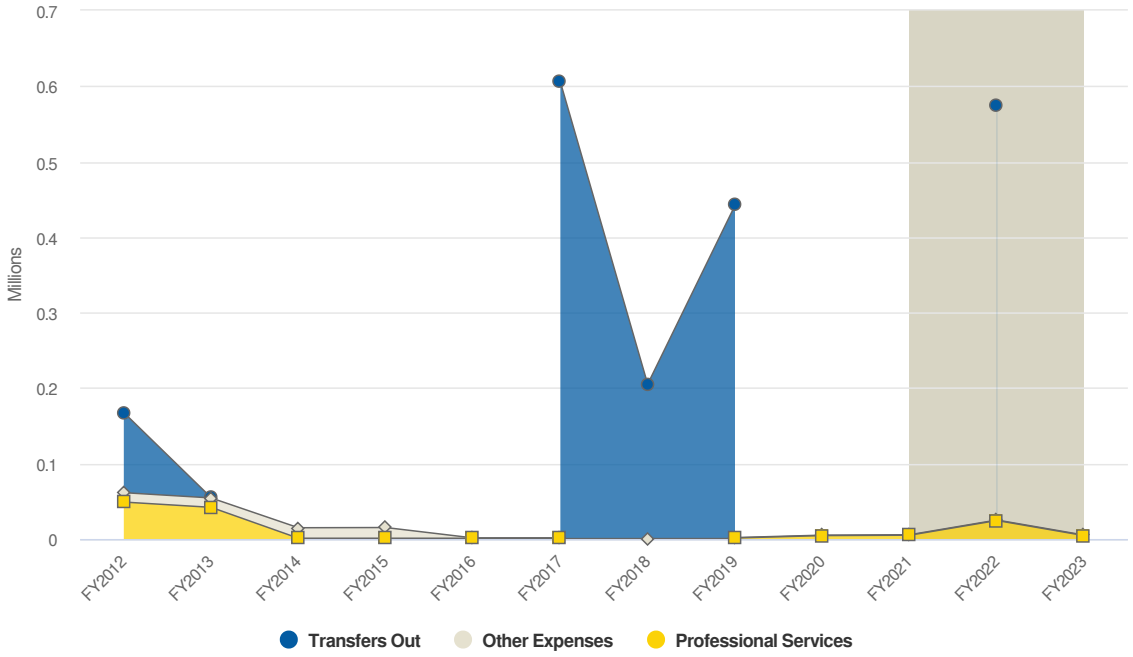
Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Total Revenue Source:	$127,939	$180,567	$188,604	$172,886	$206,483	$206,483	19.4%	0%	0%

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



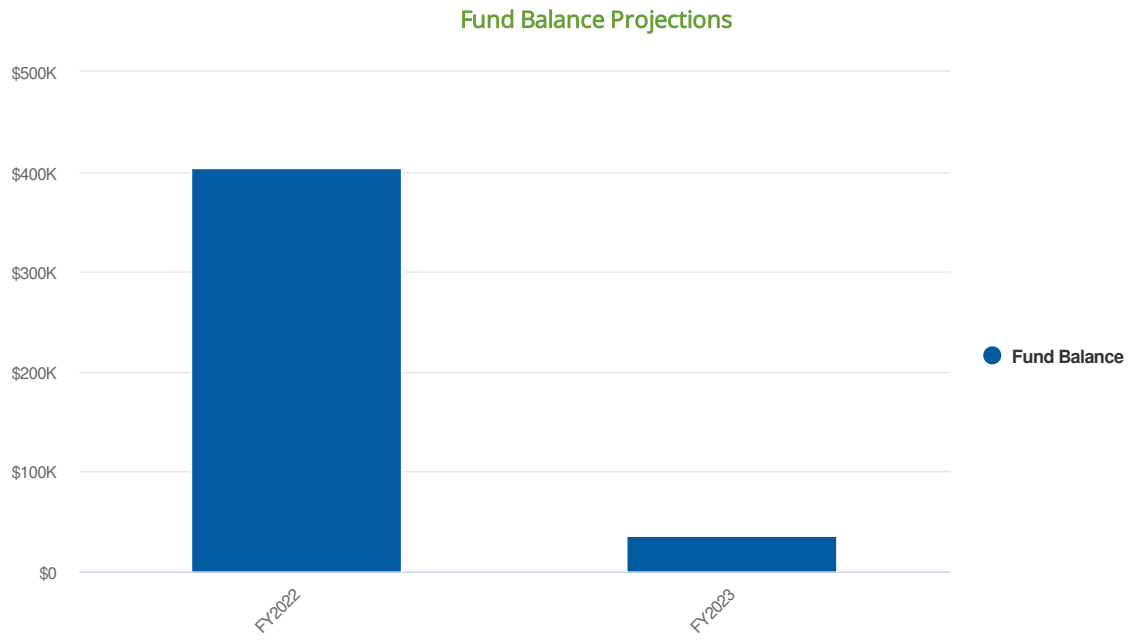
Budgeted and Historical Expenditures by Expense Type



Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Expense Objects									
Professional Services	$0	$1,319	$4,500	$5,000	$24,500	$4,500	390%	444.4%	-81.6%
Other Expenses	$528	$552	$582	$611	$641	$673	4.9%	-4.8%	5%
Transfers Out	$204,641	$441,365	$0	$0	$550,000	$0	N/A	N/A	-100%
Total Expense Objects:	**$205,169**	**$443,236**	**$5,082**	**$5,611**	**$575,141**	**$5,173**	**10,150.2%**	**11,018.1%**	**-99.1%**

Fund Balance

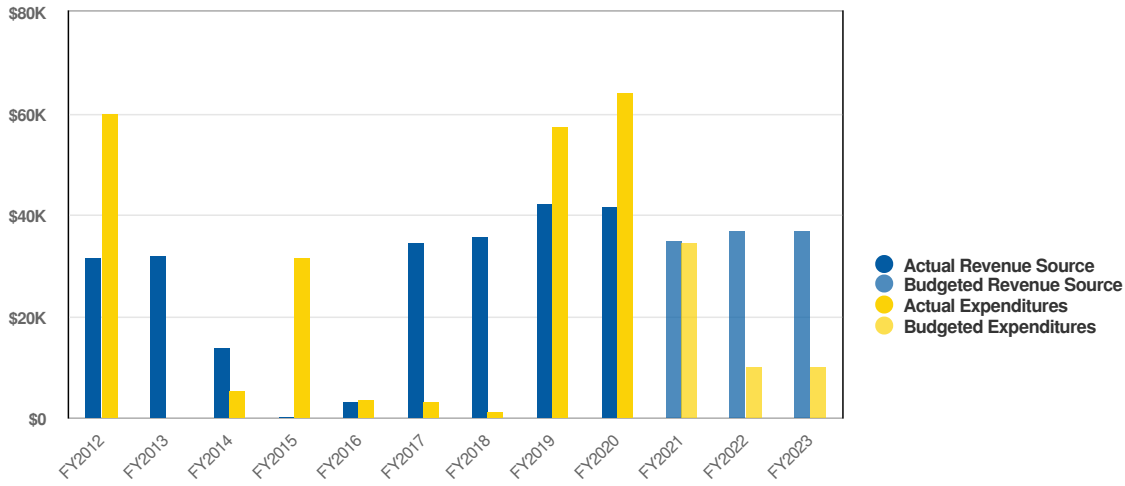


Public Education Government Fund

The Public, Educational, and Governmental (PEG) Access Fee Fund was established in FY 2011 to track PEG fee revenues and expenditures separately from other funds. The PEG Access Fee is a fee collected from cable television providers (i.e., Charter Communications) with franchise operations within city limits, which money is set aside for capital costs related to governmental cable broadcasting and equipment. Due to legal disputes, the fee was not collected between December 2013 and August 2016. The fund resumed collection of these fees in FY 2017.

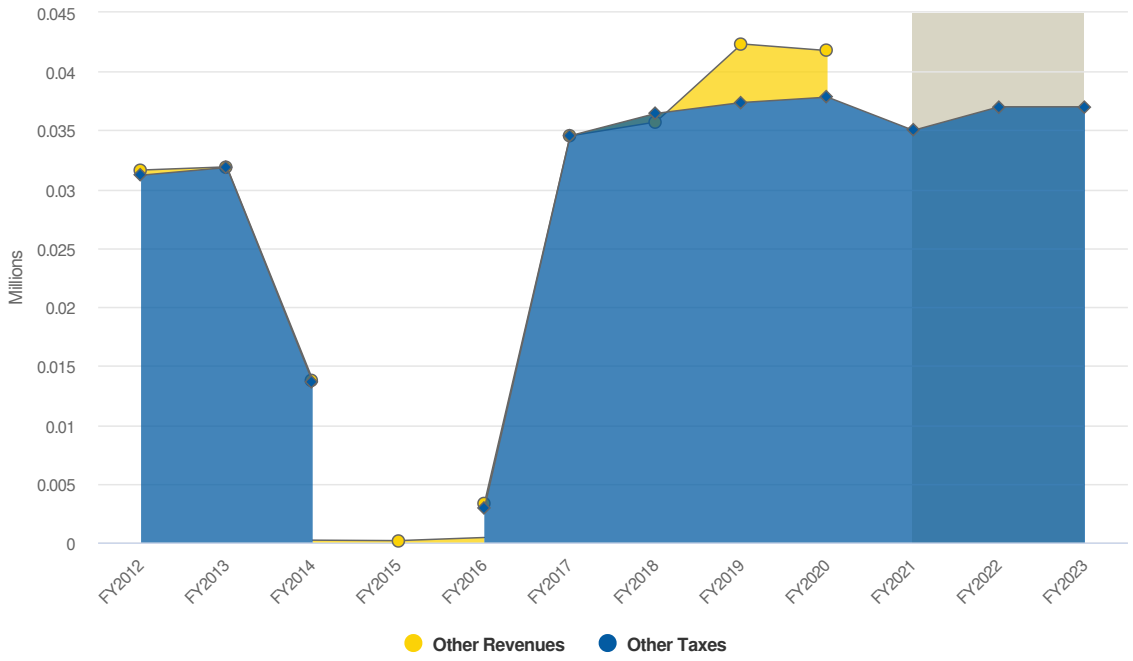
Summary

The City of Pismo Beach is projecting $37K of revenue in FY2022, which represents a 5.7% increase over the prior year. Budgeted expenditures are projected to decrease by 71.2% or $24.73K to $10K in FY2022.



Revenues by Source

Budgeted and Historical 2022 Revenues by Source

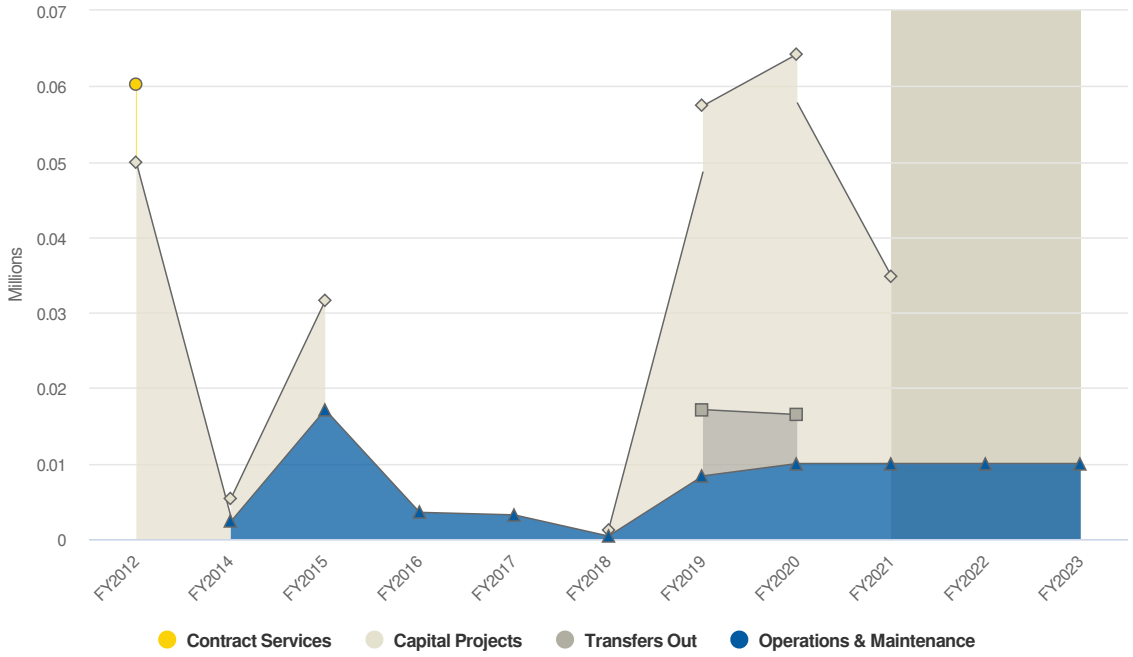


Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Revenue Source									
Other Taxes									
PEG Fees - Charter Comm	$36,437	$37,363	$37,820	$35,000	$37,000	$37,000	5.7%	0%	0%
Total Other Taxes:	**$36,437**	**$37,363**	**$37,820**	**$35,000**	**$37,000**	**$37,000**	**5.7%**	**0%**	**0%**
Other Revenues									
Interest	$1,387	$2,442	$2,039	$0	$0	$0	0%	0%	0%
Mark to Mkt Gain/Loss	-$2,116	$2,534	$1,914	$0	$0	$0	0%	0%	0%
Total Other Revenues:	**-$729**	**$4,976**	**$3,953**	**$0**	**$0**	**$0**	**0%**	**0%**	**0%**
Total Revenue Source:	**$35,707**	**$42,339**	**$41,773**	**$35,000**	**$37,000**	**$37,000**	**5.7%**	**0%**	**0%**

Expenditures by Expense Type

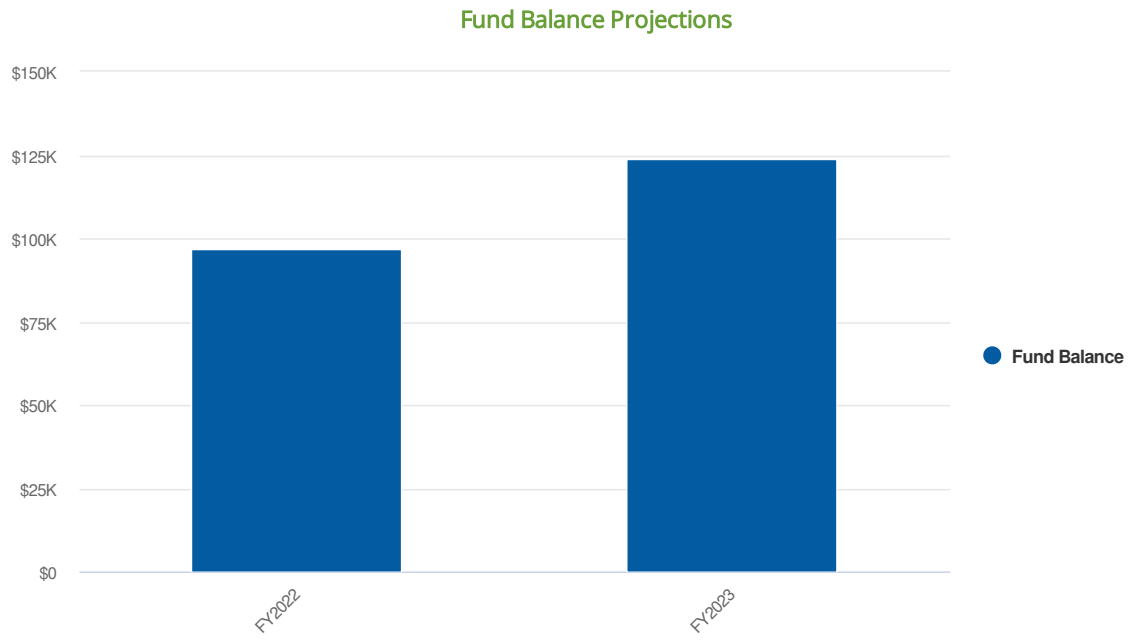
Budgeted and Historical Expenditures by Expense Type



Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Expense Objects									
Operations & Maintenance	$385	$8,362	$9,997	$10,000	$10,000	$10,000	0%	0%	0%
Capital Projects	$819	$40,247	$47,767	$24,732	$0	$0	-100%	0%	0%
Transfers Out	$0	$8,778	$6,489	$0	$0	$0	0%	0%	0%
Total Expense Objects:	**$1,204**	**$57,388**	**$64,254**	**$34,732**	**$10,000**	**$10,000**	**-71.2%**	**0%**	**0%**

Fund Balance

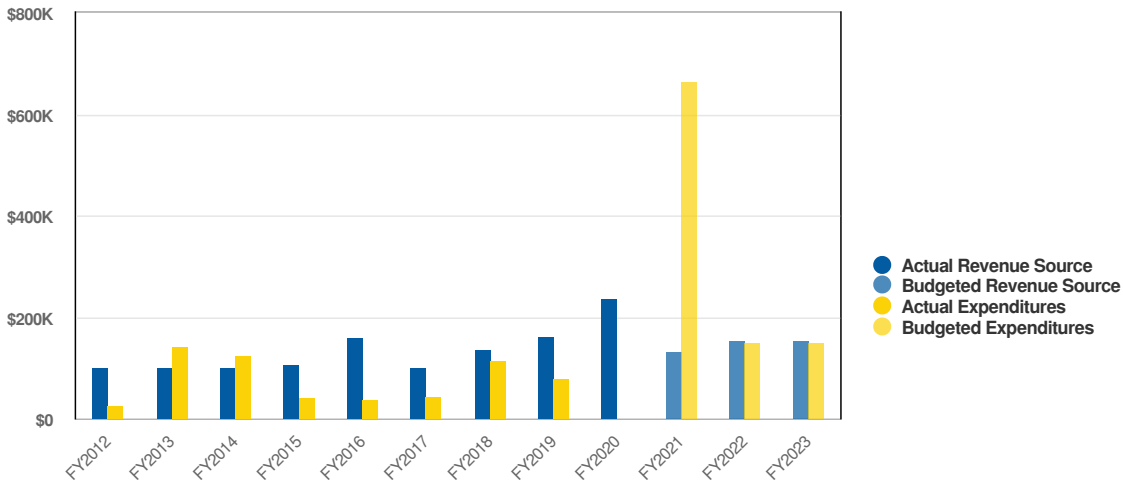


Grants - Non-Capital

The Police Grant Fund is a Special Revenue Fund that tracks the activity of grants awarded to the Police Department for various items including grants for traffic programs, equipment, personnel, and miscellaneous operating expenses.

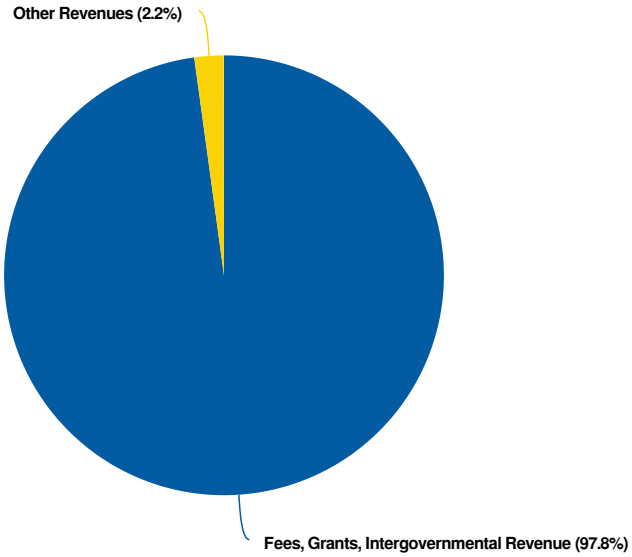
Summary

The City of Pismo Beach is projecting $153.3K of revenue in FY2022, which represents a 16.1% increase over the prior year. Budgeted expenditures are projected to decrease by 77.5% or $518.11K to $150K in FY2022.

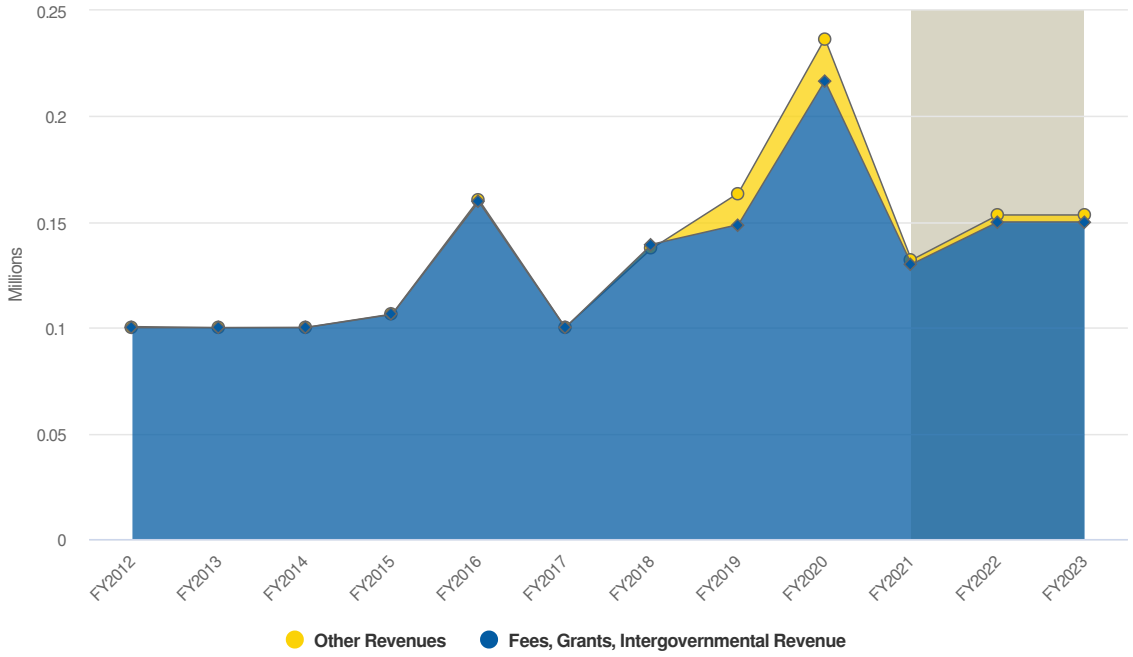


Revenues by Source

Projected 2022 Revenues by Source



Budgeted and Historical 2022 Revenues by Source

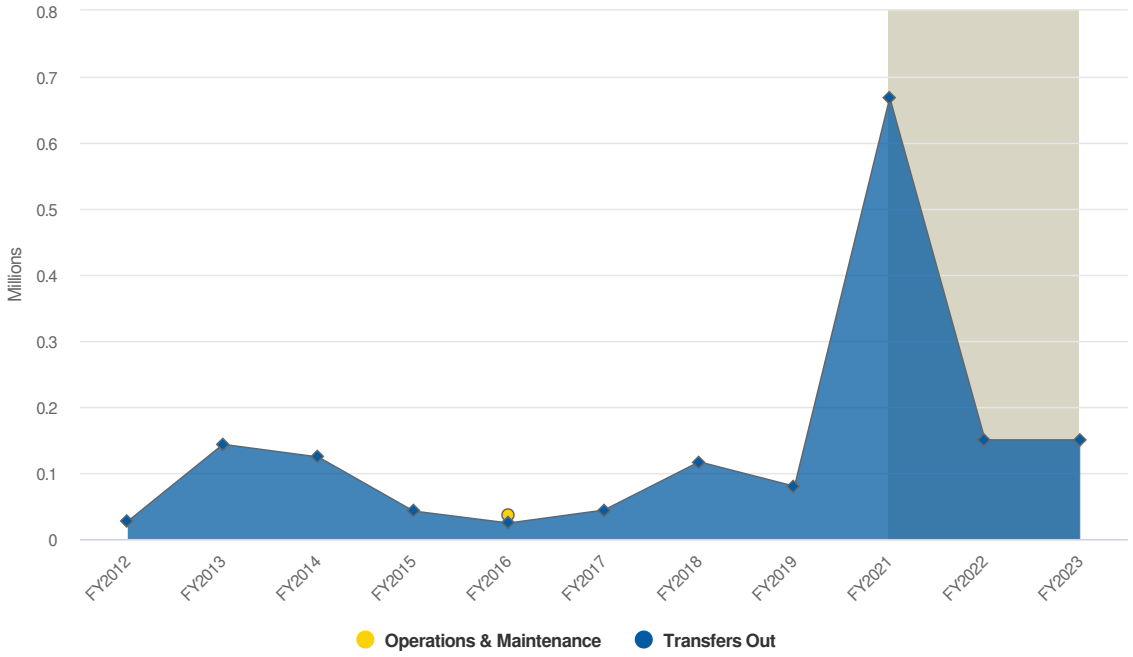


Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Revenue Source									
Other Revenues	-$1,982	$14,900	$19,988	$2,000	$3,300	$3,300	65%	0%	0%
Fees, Grants, Intergovernmental Revenue	$139,416	$148,747	$216,774	$130,000	$150,000	$150,000	15.4%	0%	0%
Total Revenue Source:	**$137,434**	**$163,647**	**$236,762**	**$132,000**	**$153,300**	**$153,300**	**16.1%**	**0%**	**0%**

Expenditures by Expense Type

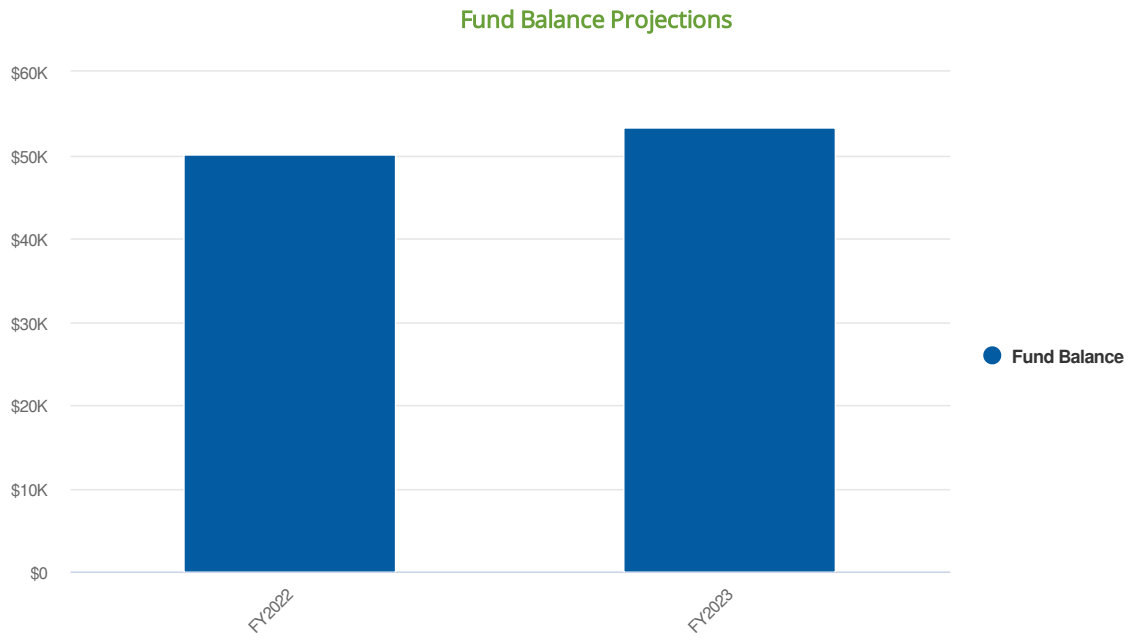
Budgeted and Historical Expenditures by Expense Type



Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Expense Objects									
Transfers Out	$116,792	$79,781	$0	$668,106	$150,000	$150,000	-77.5%	0%	0%
Total Expense Objects:	**$116,792**	**$79,781**	**$0**	**$668,106**	**$150,000**	**$150,000**	**-77.5%**	**0%**	**0%**

Fund Balance

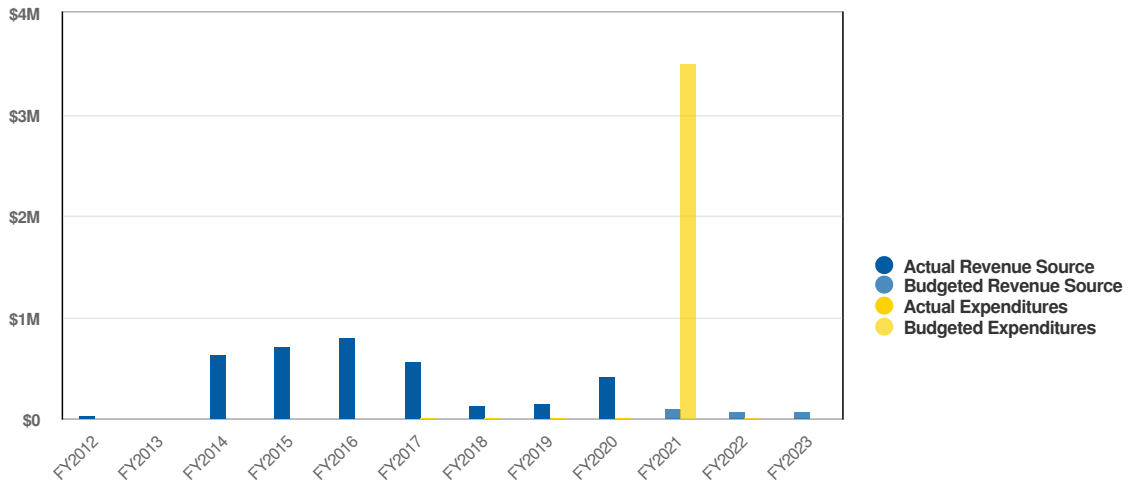


Housing In Lieu Fee

The Housing In-Lieu Fund was established on May 2, 2000, by Ordinance No. 2000-03. The Housing In-Lieu fee is a development impact fee paid to the City as an alternative to the production of affordable housing and is to be used in the acquisition, construction, or rehabilitation of affordable housing. The purpose and intent of the fee is to create inclusionary housing requirements and affordable housing units, which assists in implementing the Housing Element of the City's General Plan. The regulation established by Ordinance No. 2000-03 offers density bonuses and certain development standard concessions (building setback, lot coverage, and/or parking requirements) or other regulatory incentives or concessions. Designed to provide cost reductions for affordable housing construction, lower project costs can be passed on to low-to-moderate income households and qualifying residents.

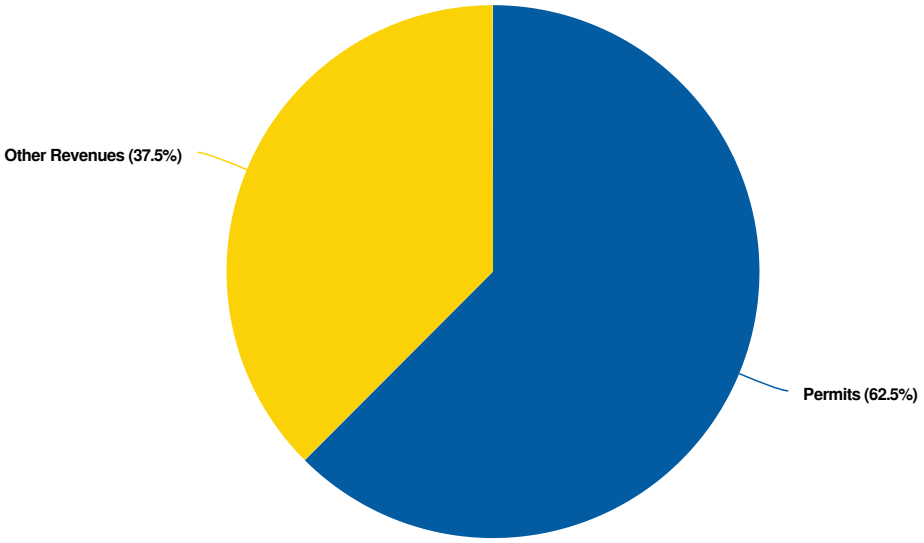
Summary

The City of Pismo Beach is projecting $80K of revenue in FY2022, which represents a 19.2% decrease over the prior year. Budgeted expenditures are projected to decrease by 99.7% or $3.5M to $12.11K in FY2022.

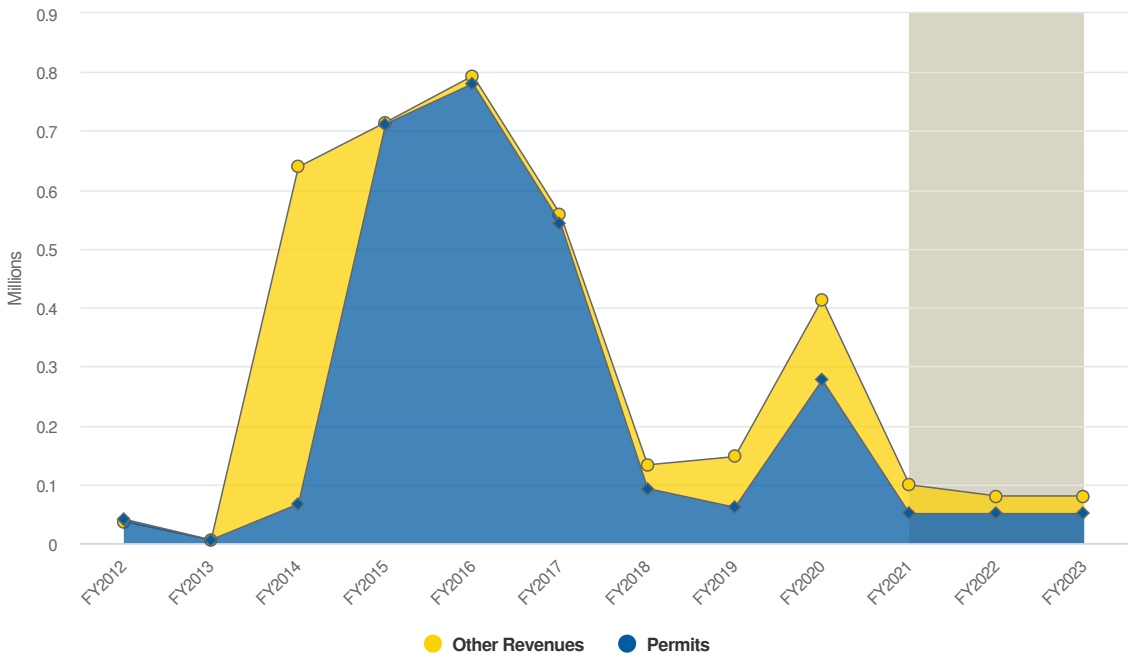


Revenues by Source

Projected 2022 Revenues by Source



Budgeted and Historical 2022 Revenues by Source

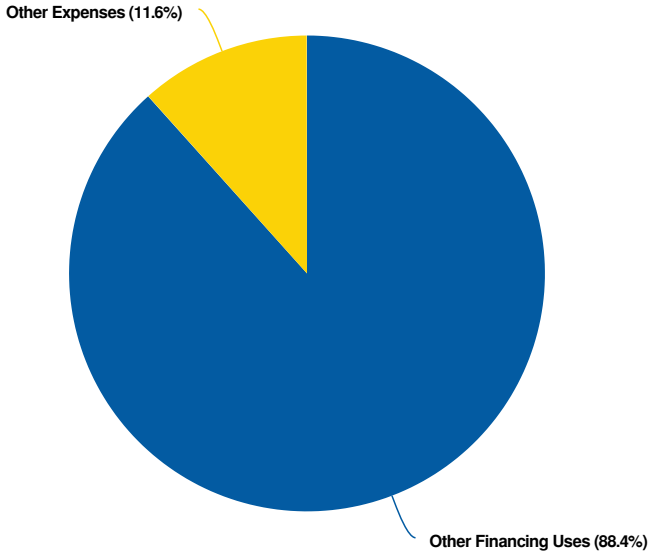


Grey background indicates budgeted figures.

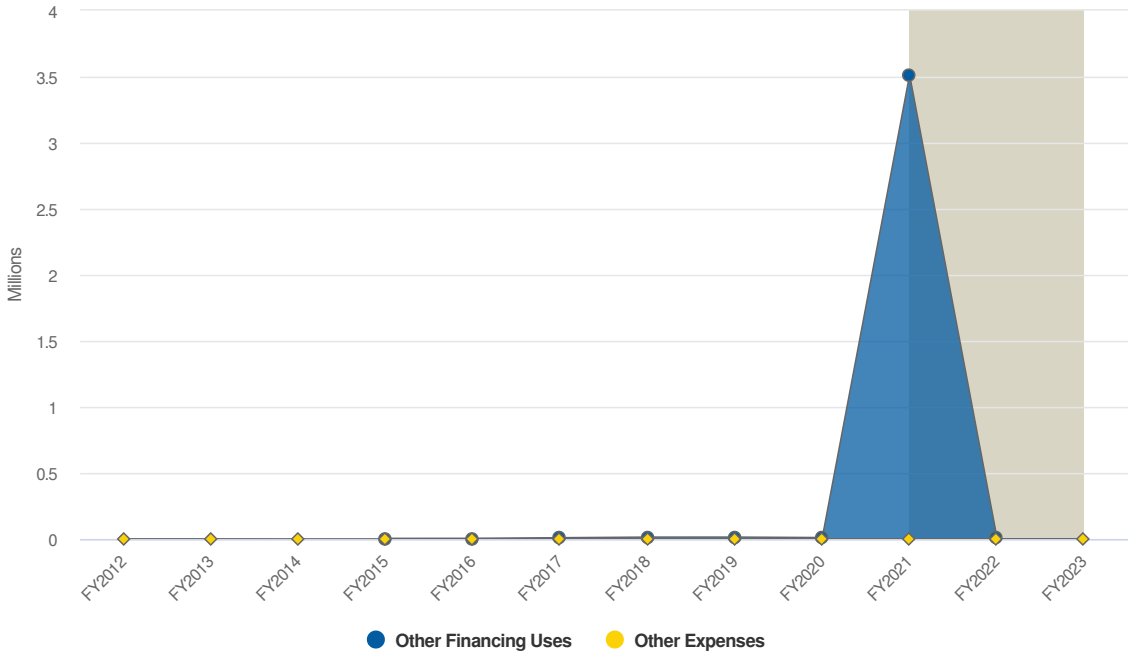
Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Revenue Source									
Permits	$92,635	$60,724	$277,095	$50,000	$50,000	$50,000	0%	0%	0%
Other Revenues	$40,260	$86,153	$137,013	$49,000	$30,000	$30,000	-38.8%	0%	0%
Total Revenue Source:	**$132,895**	**$146,877**	**$414,107**	**$99,000**	**$80,000**	**$80,000**	**-19.2%**	**0%**	**0%**

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



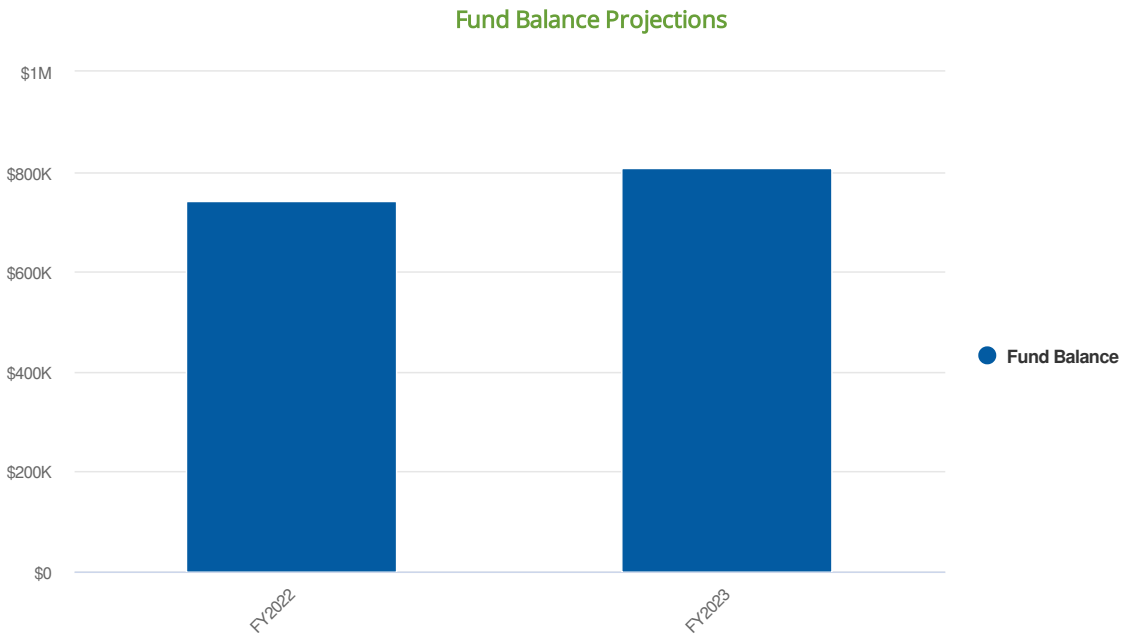
Budgeted and Historical Expenditures by Expense Type



Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Expense Objects									
Other Expenses	$1,152	$1,212	$1,276	$1,340	$1,407	$1,477	5%	-4.7%	5%
Other Financing Uses	$13,200	$13,200	$9,700	$3,512,700	$10,700	$0	-99.7%	N/A	-100%
Total Expense Objects:	**$14,352**	**$14,412**	**$10,976**	**$3,514,040**	**$12,107**	**$1,477**	**-99.7%**	**719.7%**	**-87.8%**

Fund Balance



LBID Fund

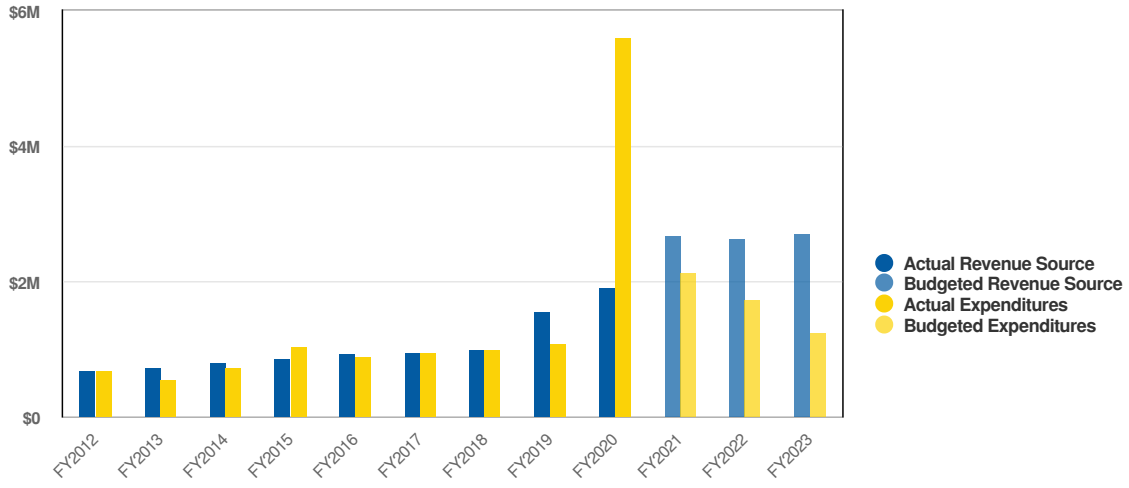
The Pismo Beach Lodging Business Improvement District (LBID) is an assessment district created by the Pismo Beach City Council, at the request and approval of a majority of the lodging businesses operating in the City, to raise money by assessing themselves, and then to use that money to promote Pismo Beach lodging businesses. Pismo Beach Municipal Code Section 3.26.110 provided for a three-year sunset provision for the LBID (in early September 2012). After the passage of the LBID ordinance, California voters enacted Proposition 26, which amended the California Constitution to revise the definition of "tax." In order to be extended beyond the September 2012 sunset date, the LBID assessment was subject to compliance with Proposition 26 to avoid being considered a special tax requiring a 2/3 majority vote of the electorate to pass. With the renewal of the LBID following adoption of Proposition 26, the purposes for which LBID assessments could be expended were more limited than when the LBID was initially established. As such, the improvements and activities to be provided for in FY 2022 and FY 2023 are to be those services and activities permitted under Section 3.26.030 of the Pismo Beach Municipal Code, as follows:

a. The general promotion of lodging operations within the LBID shall include costs of programs and physical improvements as specified in the business plan to be adopted annually;
b. The marketing of conference, group, and vacation business that benefits the local lodging industry in the district;
c. The marketing of the LBID to the travel industry in order to benefit the local lodging industry in the district;
d. Administration of the LBID, including collection and enforcement of assessments.

In FY 2019, the Conference and Visitors Bureau Board / LBID Advisory Board and City Council approved an additional 1% LBID assessment starting on January 1, 2019 and continuing for 5 years to provide the funding to complete some significant community enhancing projects that would help promote and benefit the lodging businesses in the city of Pismo Beach. These community-enhancing projects include the now completed Pier Plaza improvements, pedestrian connections under Highway 101 at Price Street for entrance into the Pismo Preserve, and future proposed projects for pedestrian connection under Highway 101 at Spyglass Drive and Addie Street area improvements.

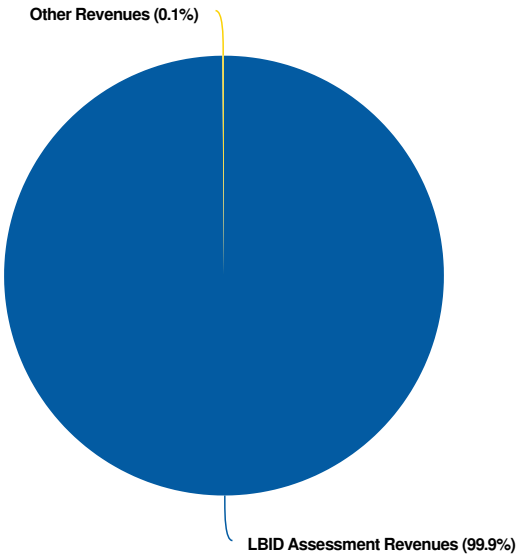
Summary

The City of Pismo Beach is projecting $2.65M of revenue in FY2022, which represents a 0.9% decrease over the prior year. Budgeted expenditures are projected to decrease by 18.6% or $398.14K to $1.74M in FY2022.

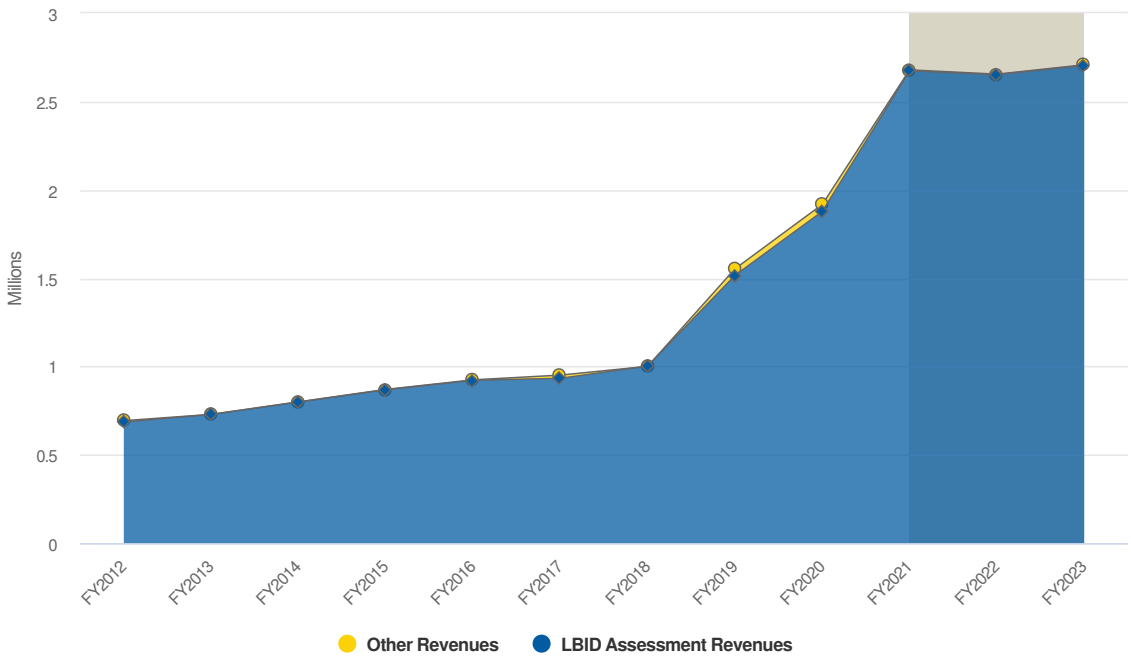


Revenues by Source

Projected 2022 Revenues by Source



Budgeted and Historical 2022 Revenues by Source

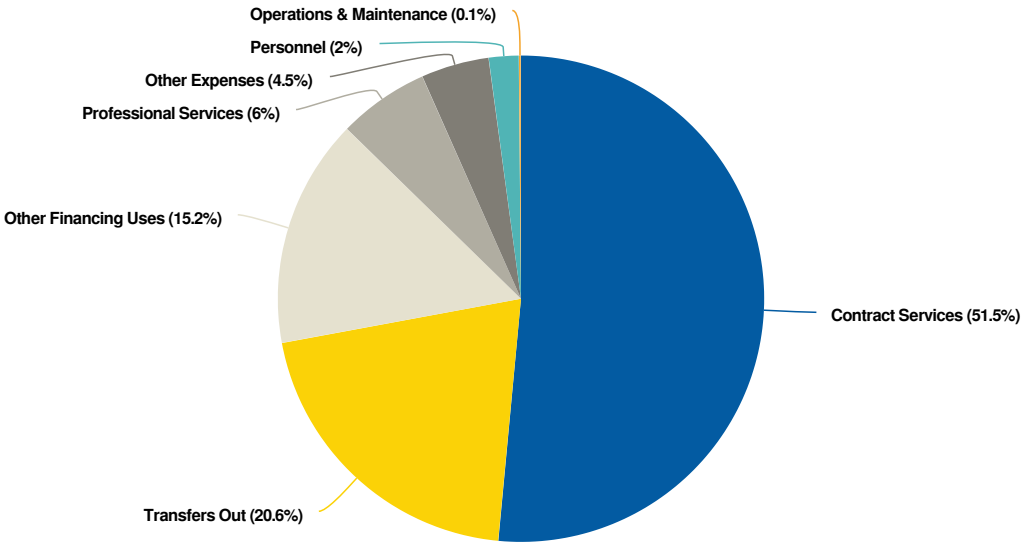


Grey background indicates budgeted figures.

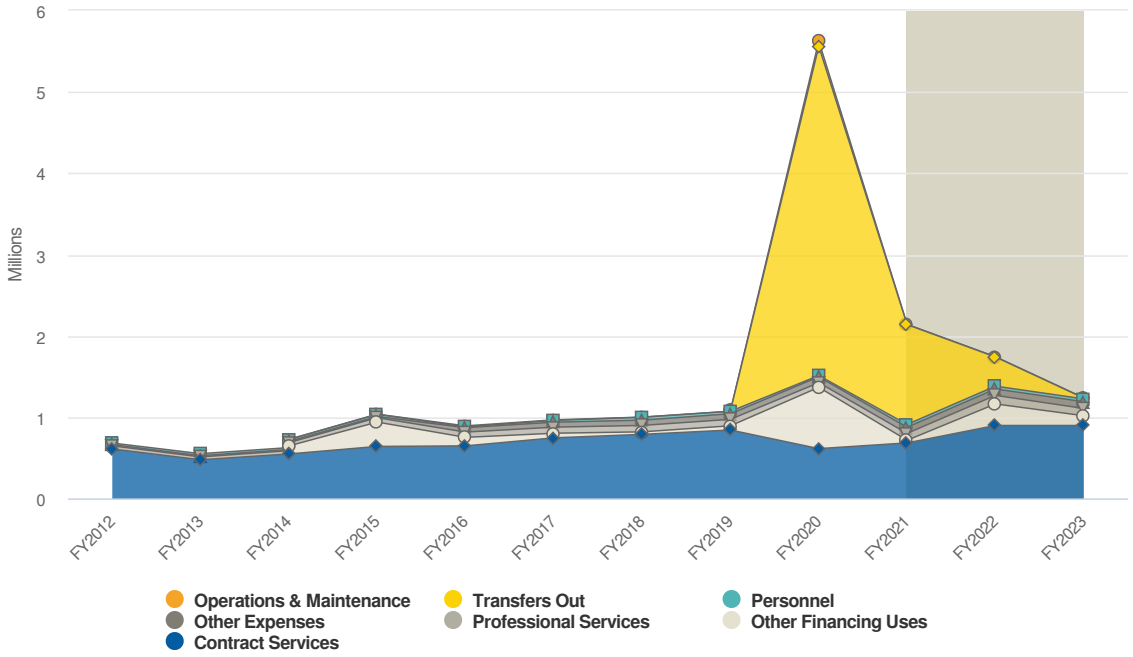
Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Revenue Source									
LBID Assessment Revenues	$1,002,472	$1,515,636	$1,877,694	$2,674,249	$2,651,800	$2,704,800	-0.8%	-2%	2%
Other Revenues	-$1,953	$37,329	$39,816	$5,000	$3,100	$3,100	-38%	0%	0%
Total Revenue Source:	**$1,000,519**	**$1,552,965**	**$1,917,510**	**$2,679,249**	**$2,654,900**	**$2,707,900**	**-0.9%**	**-2%**	**2%**

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



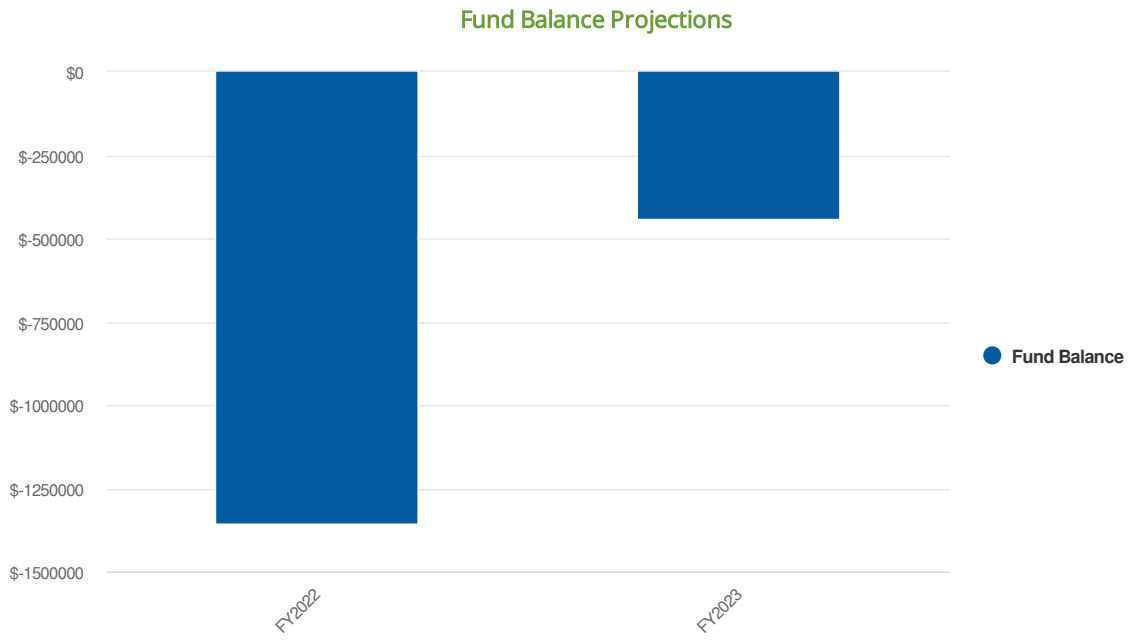
Budgeted and Historical Expenditures by Expense Type



Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Expense Objects									
Personnel	$35,545	$30,467	$15,331	$34,618	$34,618	$34,618	0%	0%	0%
Professional Services	$78,912	$79,511	$57,716	$84,816	$105,350	$89,350	24.2%	17.9%	-15.2%
Contract Services	$787,955	$841,466	$612,802	$682,806	$897,400	$897,400	31.4%	0%	0%
Operations & Maintenance	$2,207	$712	$64,090	$2,300	$2,300	$2,300	0%	0%	0%
Other Expenses	$64,764	$68,172	$71,580	$75,159	$78,917	$82,863	5%	-4.8%	5%
Other Financing Uses	$31,171	$52,205	$753,826	$33,000	$265,000	$120,000	703%	120.8%	-54.7%
Transfers Out	$0	$8,246	$4,050,256	$1,227,918	$358,888	$10,664	-70.8%	3,265.4%	-97%
Total Expense Objects:	**$1,000,554**	**$1,080,780**	**$5,625,600**	**$2,140,618**	**$1,742,473**	**$1,237,195**	**-18.6%**	**40.8%**	**-29%**

Fund Balance

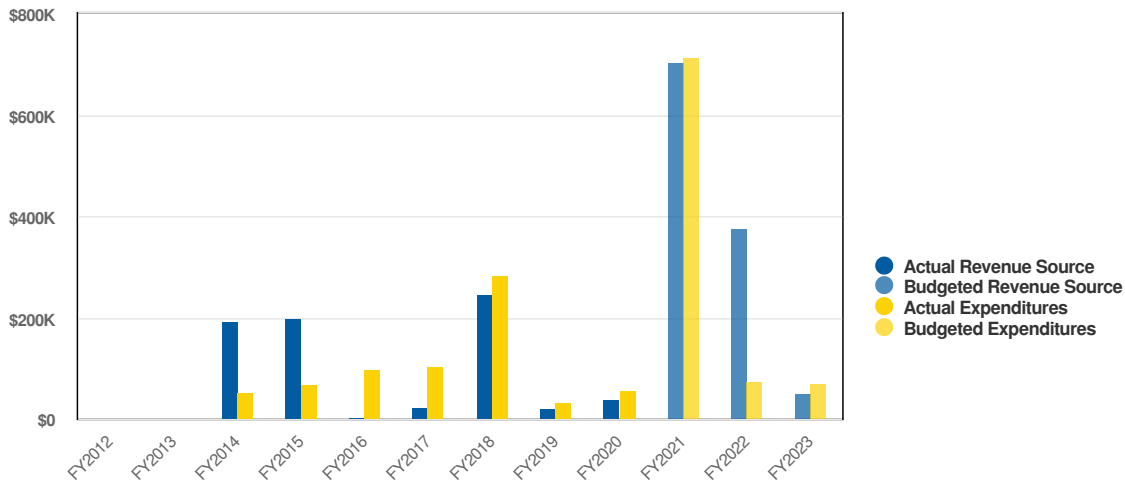


Chapman Estate Fund

The Chapman Estate at 1243 Ocean Boulevard in Pismo Beach was developed around 1935 by John Rogers, who worked in the oil industry in California's Central Valley. Clifford Chapman purchased the Estate in 1963 and lived there for many years until his passing in July 2012. Before his passing, Chapman expressed his desire to dedicate the Estate to the City of Pismo Beach. On December 3, 2013, the City Council adopted Resolution no. R-2013-075 to accept the Chapman Estate. The Chapman Estate Trust was established by Chapman to provide funds for the maintenance and repairs of the Estate. The Trust authorized these funds to be used by the City of Pismo Beach for maintenance and repairs for the Chapman Estate upon the acceptance of the property. The Chapman Foundation was established to manage the Estate, with the TED Director serving as the City Staff Liaison.

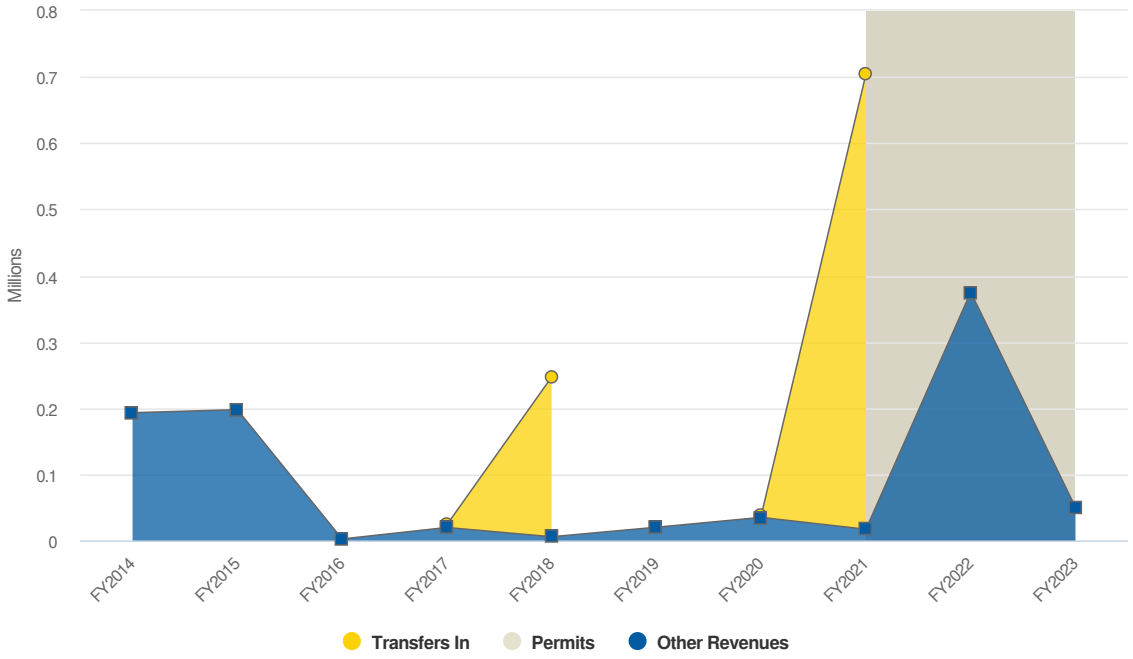
Summary

The City of Pismo Beach is projecting $375K of revenue in FY2022, which represents a 46.8% decrease over the prior year. Budgeted expenditures are projected to decrease by 89.6% or $640.32K to $74.42K in FY2022.



Revenues by Source

Budgeted and Historical 2022 Revenues by Source



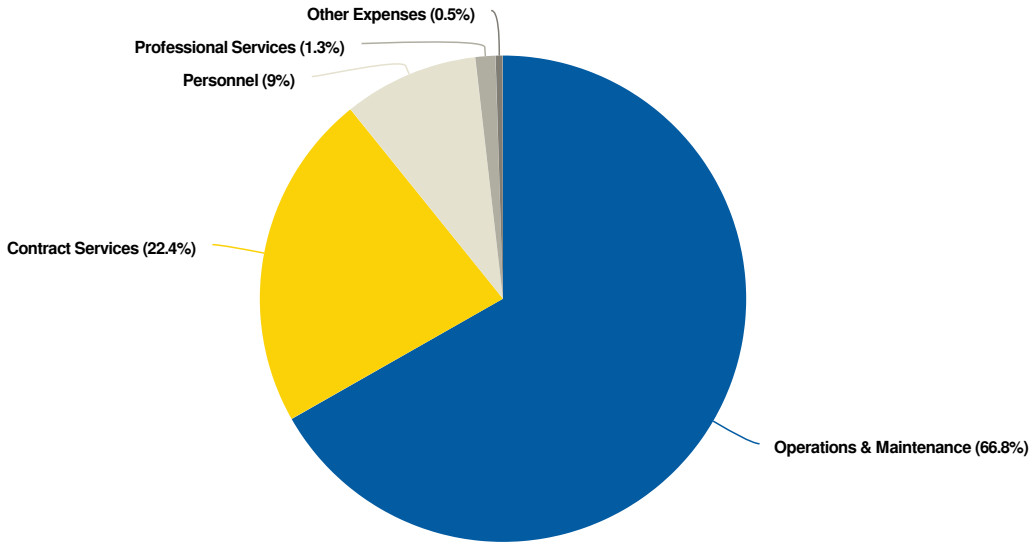
Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Revenue Source									
Interest	$930	$984	$567	$500	$0	$0	-100%	0%	0%
Chapman House Lease	$1,201	$901	$0	$0	$0	$0	0%	0%	0%
Misc Revenue	$0	$0	$30,600	$0	$0	$0	0%	0%	0%
Mark to Mkt Gain/Loss	-$1,130	$1,510	$520	$0	$0	$0	0%	0%	0%
Chapman Donation	$1,299	$121	$67	$0	$350,000	$0	N/A	N/A	-100%
Chapman Private Event Fees	$780	$1,375	$0	$0	$25,000	$50,000	N/A	-50%	100%
Chapman Donation	$5	$10,000	$0	$16,500	$0	$0	-100%	0%	0%
Chapman Estate Entry Fees	$2,235	$5,049	$2,935	$0	$0	$0	0%	0%	0%
Chapman Estate Membership Fees	$375	$75	$200	$0	$0	$0	0%	0%	0%
Transfer In General Fund	$0	$0	$0	$60,000	$0	$0	-100%	0%	0%
Transfer In General Fund	$0	$0	$0	$600,000	$0	$0	-100%	0%	0%

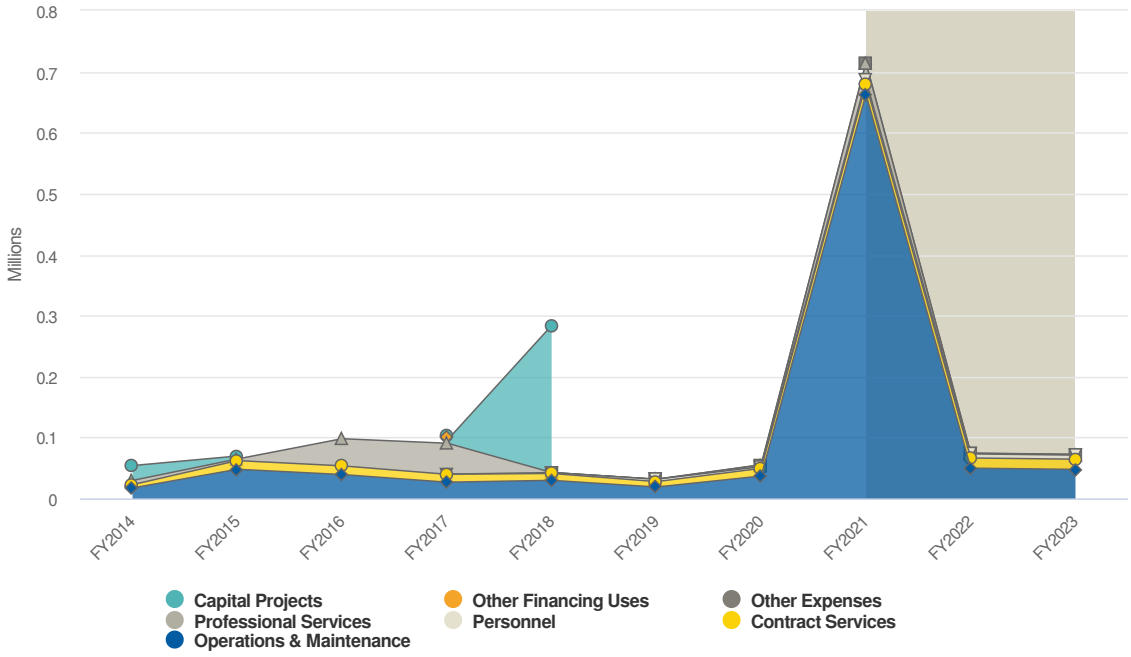
Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Transfer In General Fund	$140,968	$0	$0	$0	$0	$0	0%	0%	0%
Transfer In General Fund	$0	$0	$2,750	$27,250	$0	$0	-100%	0%	0%
Transfer In Half-Cent	$100,094	$0	$0	$0	$0	$0	0%	0%	0%
Total Revenue Source:	**$246,756**	**$20,014**	**$37,639**	**$704,250**	**$375,000**	**$50,000**	**-46.8%**	**650%**	**-86.7%**

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



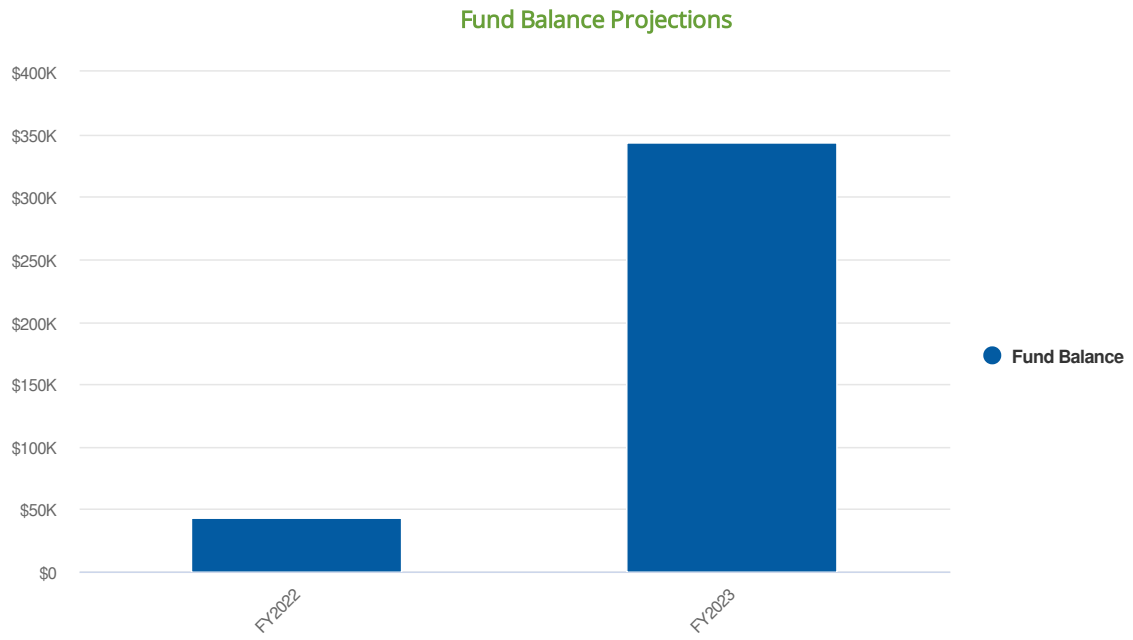
Budgeted and Historical Expenditures by Expense Type



Grey background indicates budgeted figures.

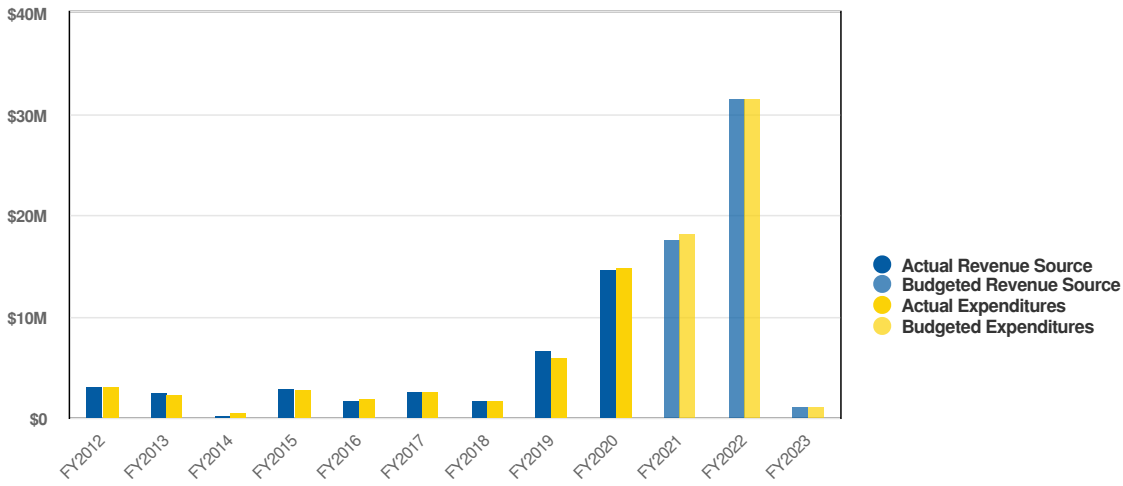
Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Expense Objects									
Personnel	$1,379	$3,883	$2,753	$6,662	$6,662	$6,662	0%	0%	0%
Professional Services	$177	$17	$2,824	$28,250	$1,000	$1,000	-96.5%	0%	0%
Contract Services	$11,301	$8,843	$12,665	$16,500	$16,700	$16,700	1.2%	0%	0%
Operations & Maintenance	$29,711	$18,782	$36,754	$663,000	$49,700	$47,700	-92.5%	4.2%	-4%
Other Expenses	$14	$10	$315	$329	$358	$358	8.8%	0%	0%
Capital Projects	$241,062	$0	$0	$0	$0	$0	0%	0%	0%
Total Expense Objects:	**$283,643**	**$31,535**	**$55,311**	**$714,741**	**$74,420**	**$72,420**	**-89.6%**	**2.8%**	**-2.7%**

Fund Balance



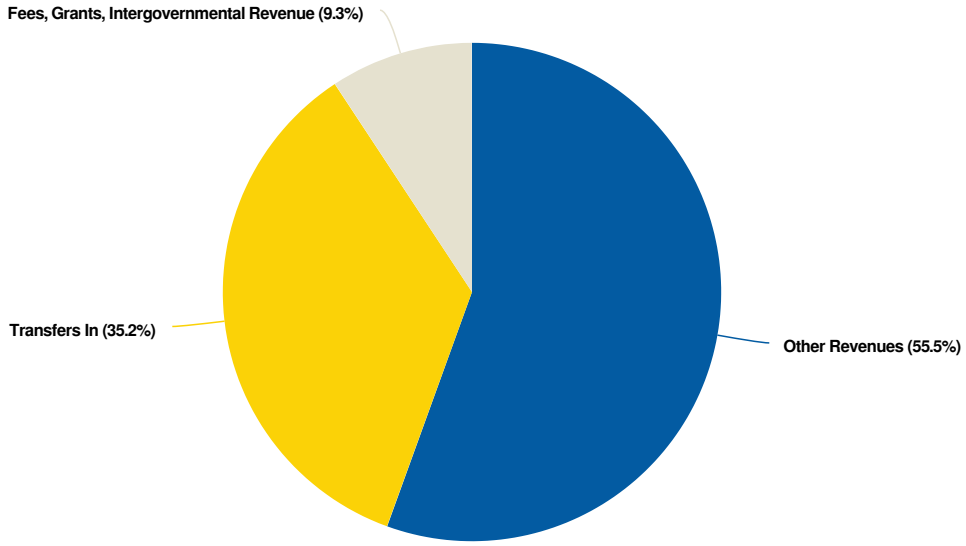
Summary

The City of Pismo Beach is projecting $31.51M of revenue in FY2022, which represents a 78.9% increase over the prior year. Budgeted expenditures are projected to increase by 72.5% or $13.24M to $31.51M in FY2022.

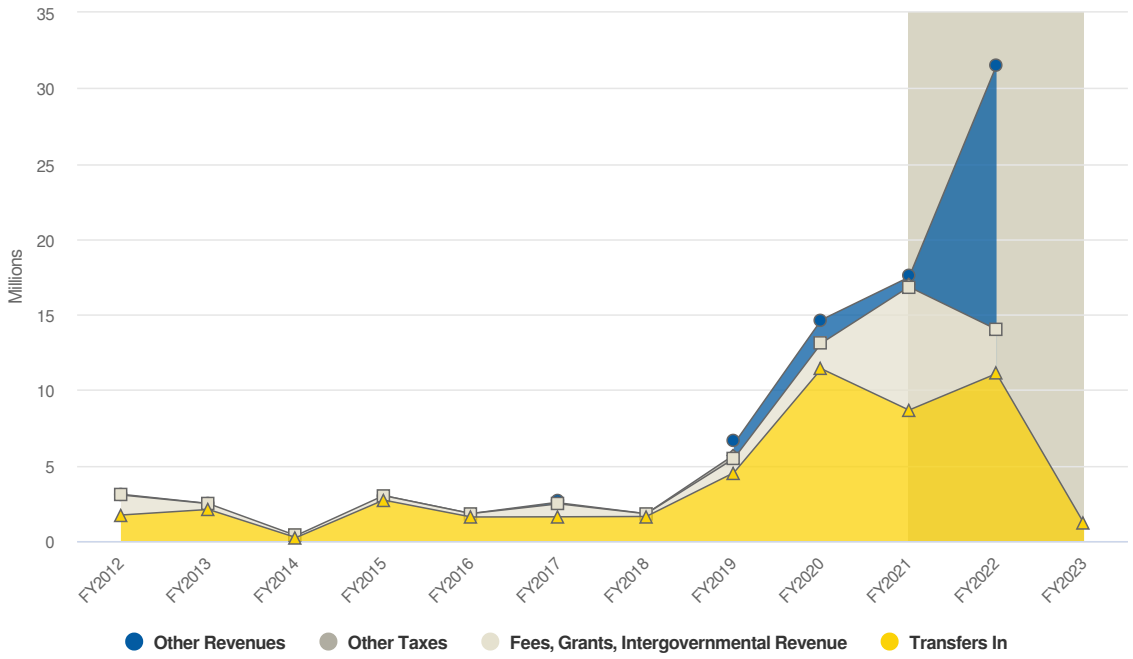


Revenues by Source

Projected 2022 Revenues by Source



Budgeted and Historical 2022 Revenues by Source

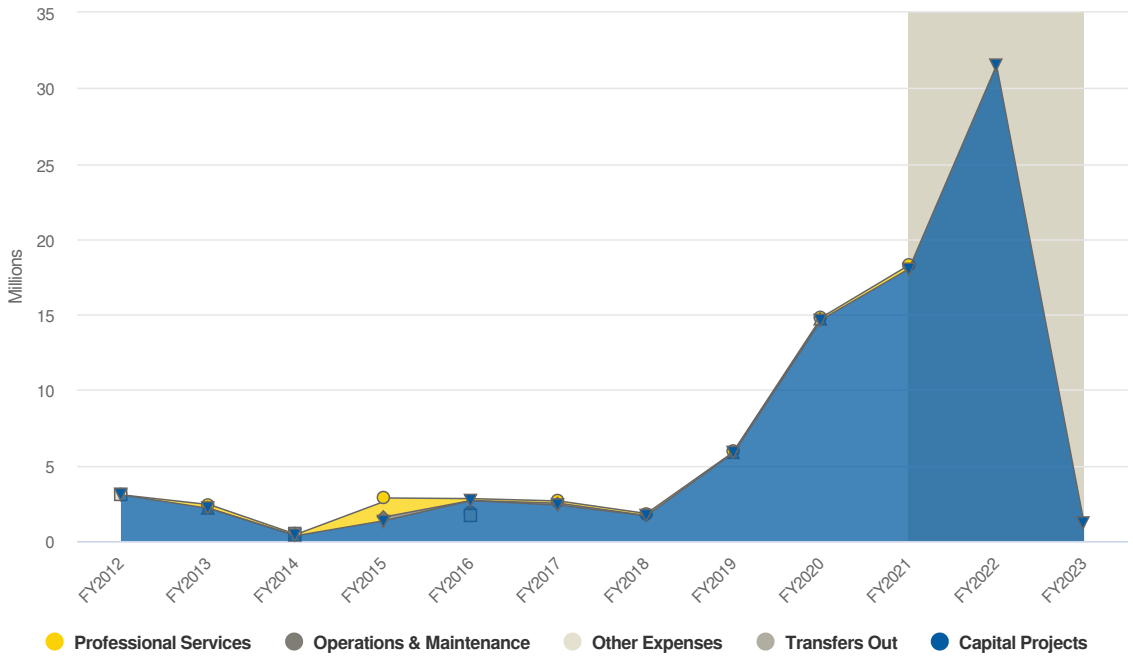


Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Revenue Source									
Other Taxes	$3,559	$237,236	$0	$133,783	$0	$0	-100%	0%	0%
Other Revenues	$0	$973,653	$1,548,170	$642,896	$17,500,000	$0	2,622.1%	N/A	-100%
Fees, Grants, Intergovernmental Revenue	$180,524	$931,660	$1,694,796	$8,161,317	$2,921,490	$0	-64.2%	N/A	-100%
Transfers In	$1,623,649	$4,523,015	$11,409,393	$8,671,531	$11,090,510	$1,155,000	27.9%	860.2%	-89.6%
Total Revenue Source:	**$1,807,732**	**$6,665,563**	**$14,652,358**	**$17,609,527**	**$31,512,000**	**$1,155,000**	**78.9%**	**2,628.3%**	**-96.3%**

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Grey background indicates budgeted figures.

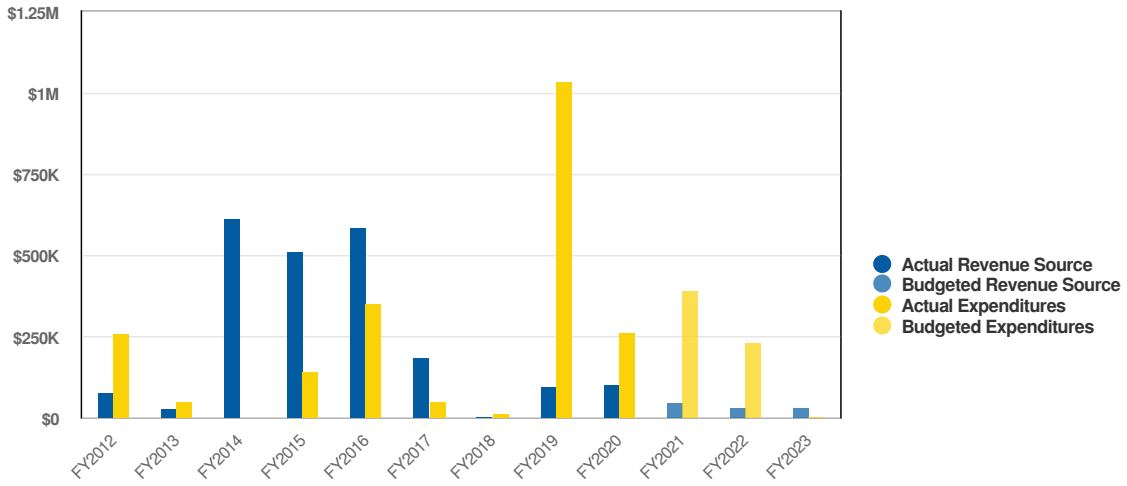
Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Expense Objects									
Professional Services	$139,554	$59,458	$141,880	$246,846	$0	$0	-100%	0%	0%
Operations & Maintenance	$9,234	$0	$0	$0	$0	$0	0%	0%	0%
Capital Projects	$1,671,526	$5,851,087	$14,665,871	$18,025,032	$31,512,000	$1,155,000	74.8%	2,628.3%	-96.3%
Transfers Out	$0	$64,086	$1,081	$0	$0	$0	0%	0%	0%
Total Expense Objects:	**$1,820,314**	**$5,974,631**	**$14,808,832**	**$18,271,877**	**$31,512,000**	**$1,155,000**	**72.5%**	**2,628.3%**	**-96.3%**

Park Development Fund

The Park Development Fund was set up to provide for the construction of new parks and the enhancement of existing parks to serve new development. Funding sources include Quimby Act fees and impact fees under California Government Code Section 66001. The Quimby Act fees were updated in FY 2005 by Resolution and increases each fiscal year by 5%.

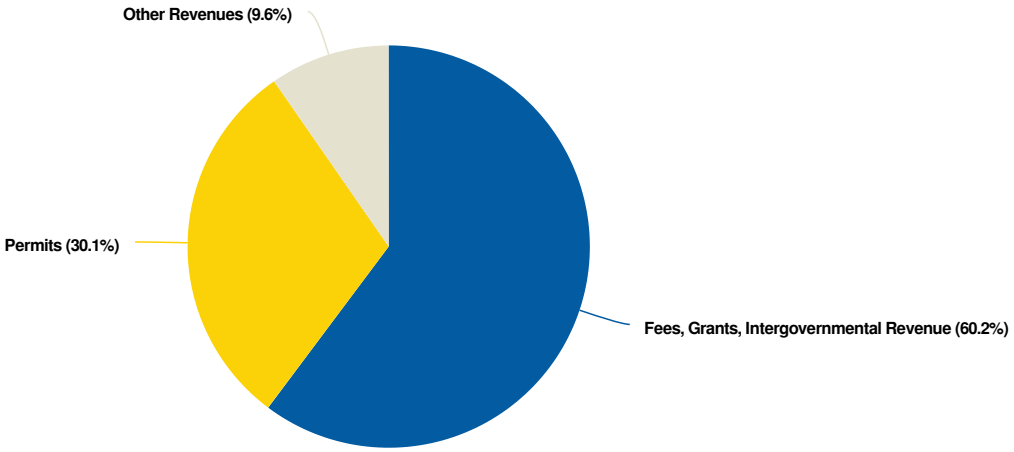
Summary

The City of Pismo Beach is projecting $33.2K of revenue in FY2022, which represents a 30.8% decrease over the prior year. Budgeted expenditures are projected to decrease by 41.5% or $163.27K to $229.71K in FY2022.

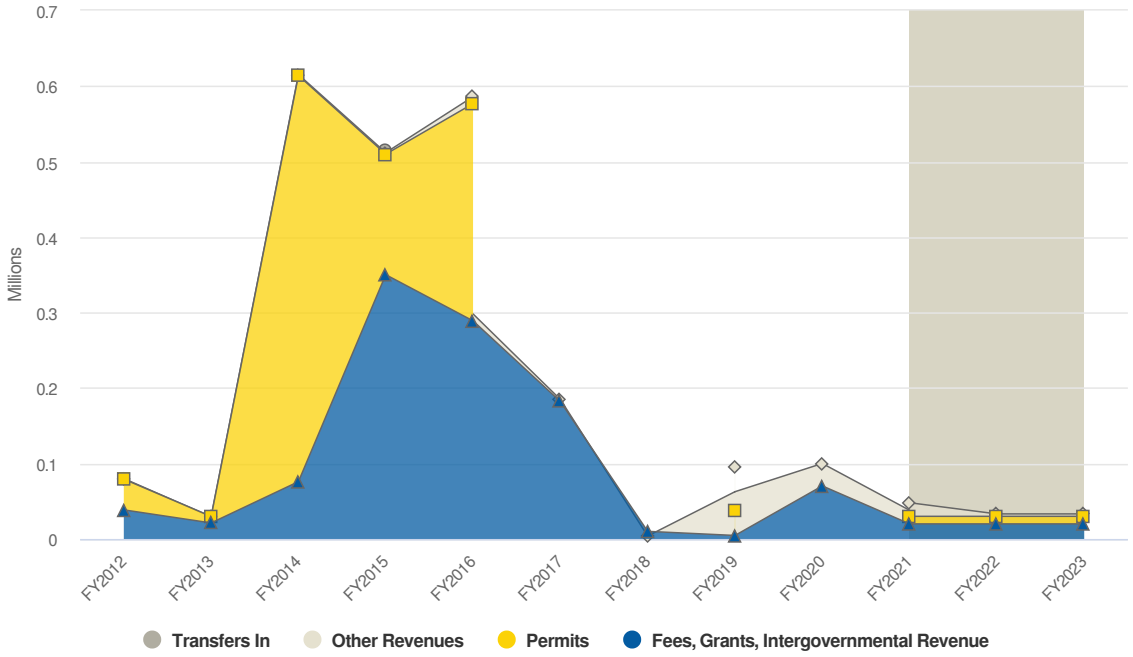


Revenues by Source

Projected 2022 Revenues by Source



Budgeted and Historical 2022 Revenues by Source



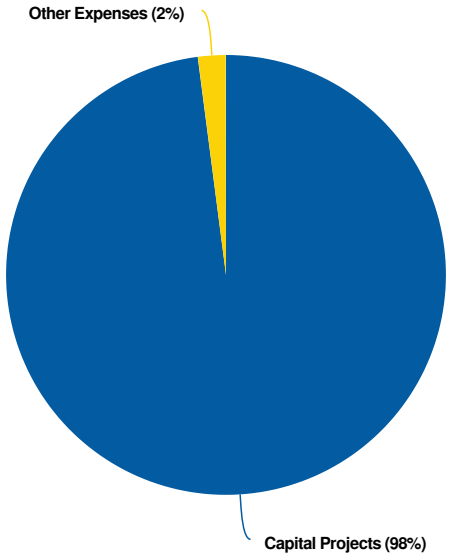
Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Revenue Source									
Permits									
Subdivision Fees	$0	$33,368	$0	$10,000	$10,000	$10,000	0%	0%	0%
Total Permits:	**$0**	**$33,368**	**$0**	**$10,000**	**$10,000**	**$10,000**	**0%**	**0%**	**0%**
Other Revenues									
Interest	$18,988	$26,605	$8,807	$18,000	$3,200	$3,200	-82.2%	0%	0%
Mark to Mkt Gain/Loss	-$25,150	$31,368	$9,475	$0	$0	$0	0%	0%	0%
Misc. Reimbursements	$0	$0	$11,460	$0	$0	$0	0%	0%	0%
Total Other Revenues:	**-$6,162**	**$57,973**	**$29,742**	**$18,000**	**$3,200**	**$3,200**	**-82.2%**	**0%**	**0%**
Fees, Grants, Intergovernmental Revenue									
Park Development Fee	$10,100	$4,655	$70,286	$20,000	$20,000	$20,000	0%	0%	0%

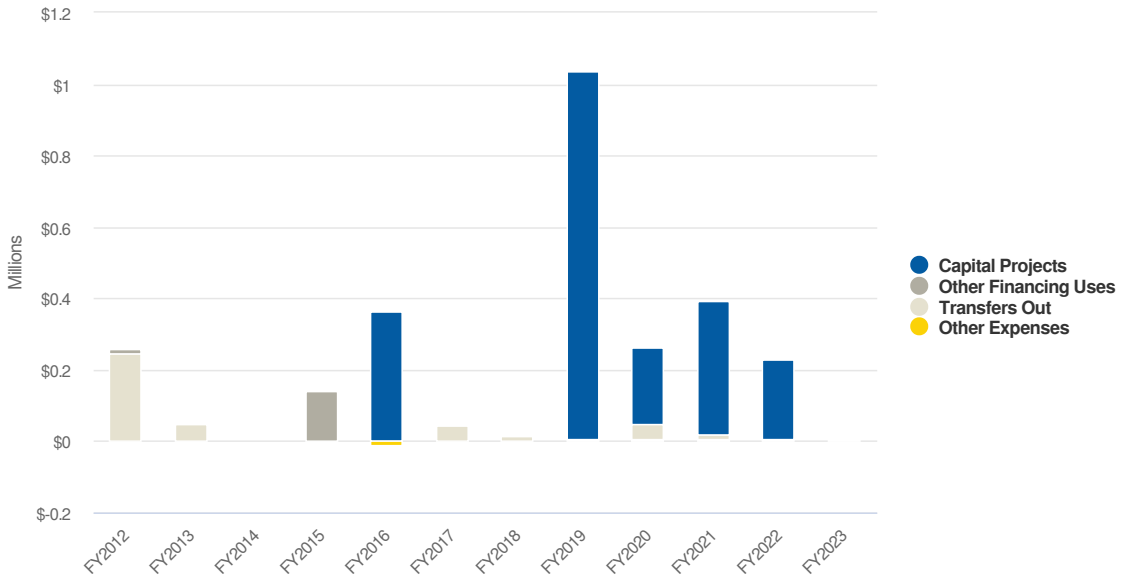
Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Total Fees, Grants, Intergovernmental Revenue:	$10,100	$4,655	$70,286	$20,000	$20,000	$20,000	0%	0%	0%
Total Revenue Source:	$3,938	$95,996	$100,028	$48,000	$33,200	$33,200	-30.8%	0%	0%

Expenditures by Expense Type

Budgeted Expenditures by Expense Type

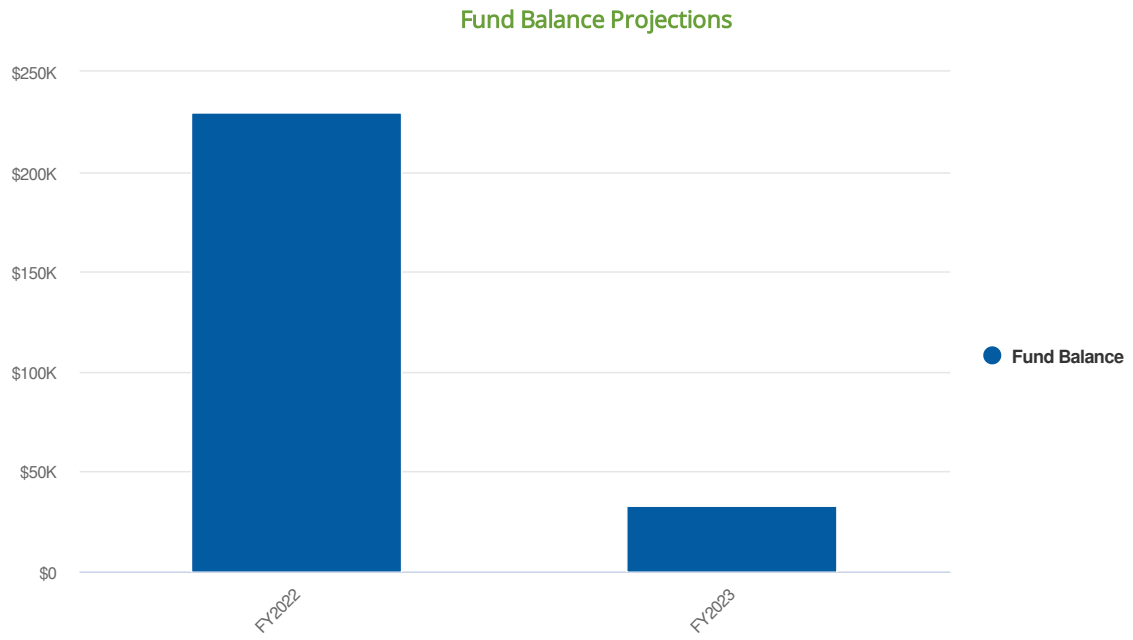


Budgeted and Historical Expenditures by Expense Type



Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Expense Objects									
Other Expenses	$3,864	$4,068	$4,270	$4,483	$4,707	$4,943	5%	-4.8%	5%
Capital Projects	$0	$1,032,656	$215,174	$376,094	$225,000	$0	-40.2%	N/A	-100%
Transfers Out	$12,194	$0	$45,000	$12,400	$0	$0	-100%	0%	0%
Total Expense Objects:	**$16,058**	**$1,036,724**	**$264,444**	**$392,977**	**$229,707**	**$4,943**	**-41.5%**	**4,547.1%**	**-97.8%**

Fund Balance

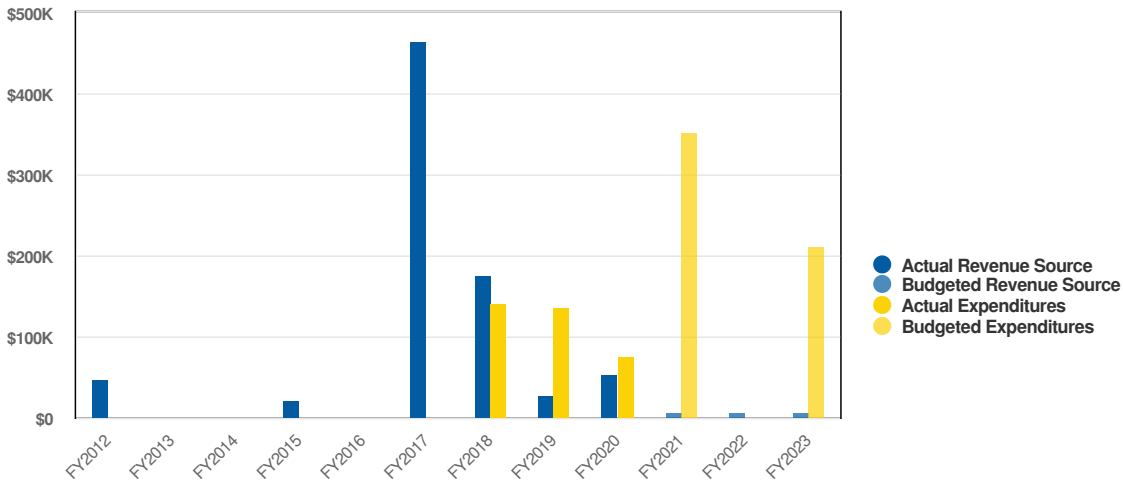


Circulation Fees

The Circulation Improvement Fund was set up to provide for specific street construction projects including improvements to the Mattie Road Sidewalk Extension to the Pismo Preserve entrance, the Circulation Element update, Circulation and Parking Study, Price Canyon Road, and dynamic circulation signs.

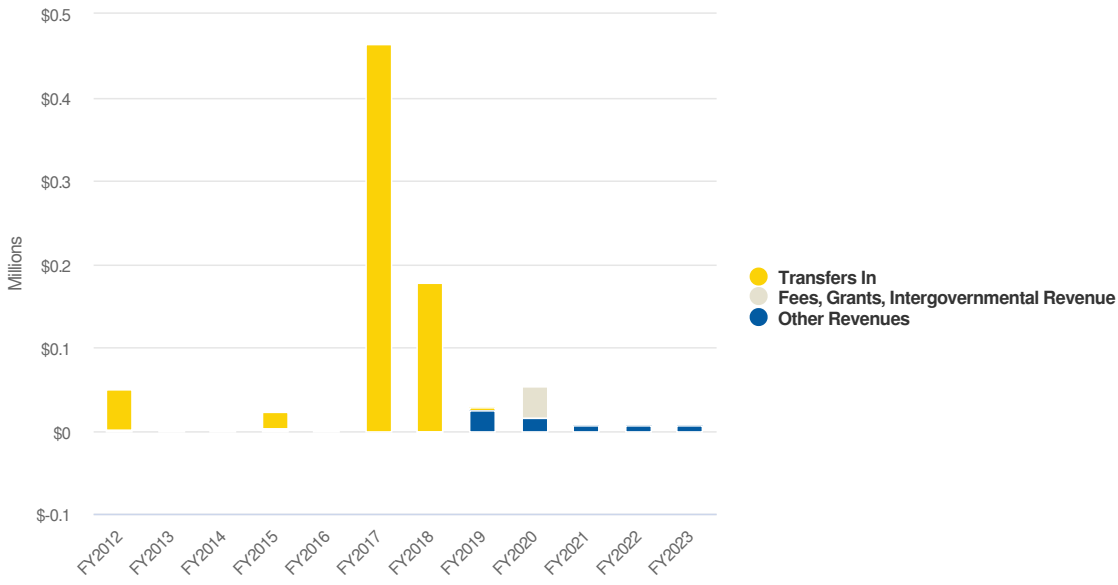
Summary

The City of Pismo Beach is projecting $6.7K of revenue in FY2022, which represents a 4.3% decrease over the prior year. Budgeted expenditures are projected to decrease by 100% or $350.98K to N/A in FY2022.



Revenues by Source

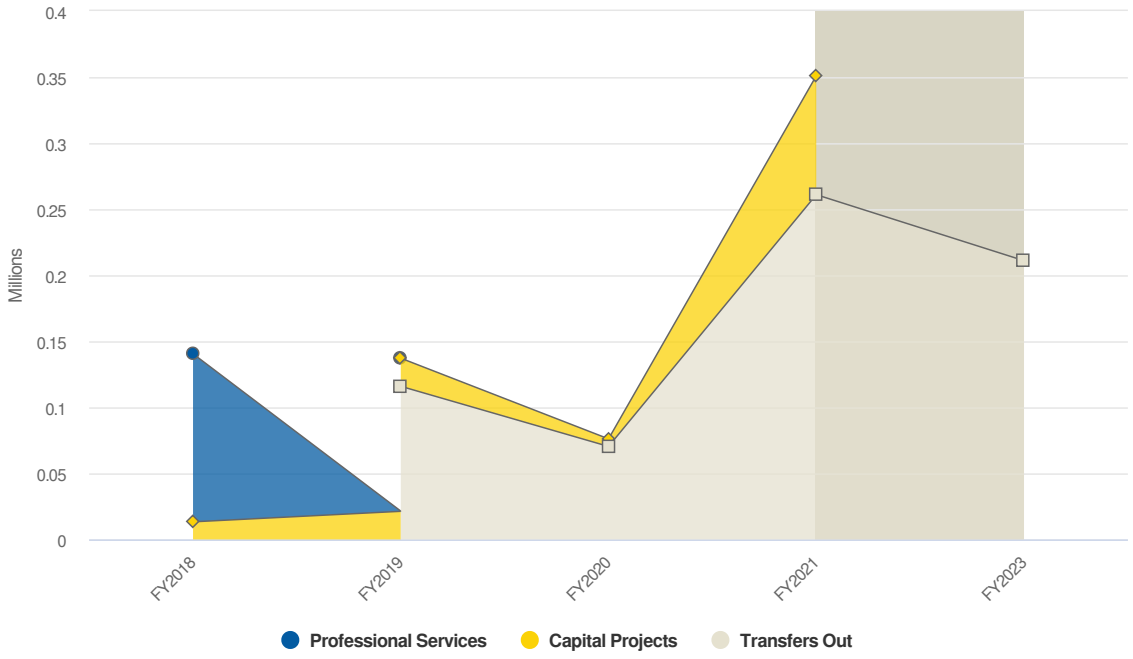
Budgeted and Historical 2022 Revenues by Source



Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Revenue Source									
Other Revenues	-$2,805	$23,519	$14,913	$7,000	$6,700	$6,700	-4.3%	0%	0%
Fees, Grants, Intergovernmental Revenue	$0	$0	$38,743	$0	$0	$0	0%	0%	0%
Transfers In	$178,247	$4,421	$0	$0	$0	$0	0%	0%	0%
Total Revenue Source:	**$175,442**	**$27,940**	**$53,656**	**$7,000**	**$6,700**	**$6,700**	**-4.3%**	**0%**	**0%**

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type

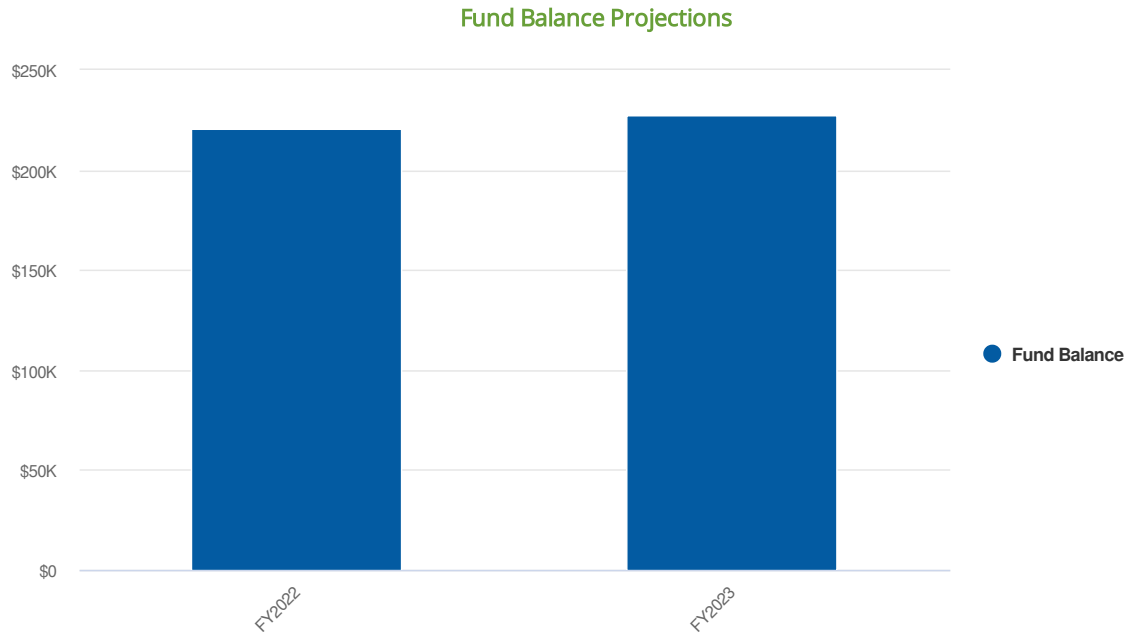


Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Expense Objects									
Professional Services	$127,207	$151	$0	$0	$0	$0	0%	0%	0%

Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Capital Projects	$13,305	$21,275	$5,731	$90,000	$0	$0	-100%	0%	0%
Transfers Out	$0	$115,913	$70,384	$260,975	$0	$211,000	-100%	-100%	N/A
Total Expense Objects:	**$140,511**	**$137,340**	**$76,115**	**$350,975**	**$0**	**$211,000**	**-100%**	**-100%**	**N/A**

Fund Balance

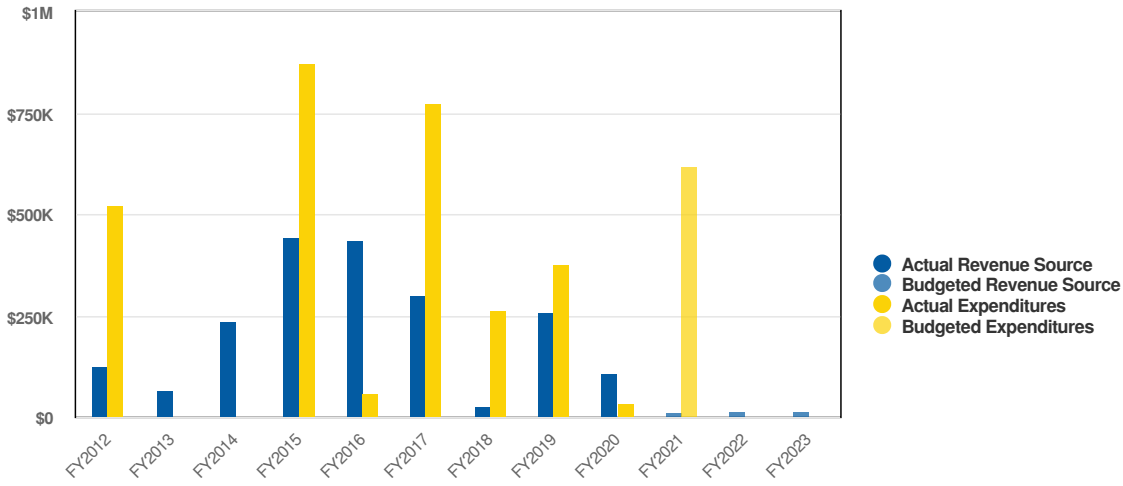


Impact Fees

The Impact Fee Fund was established to provide for additional facilities needed to serve the population residing in newly-constructed homes. Revenues for this fund consist of development fees which are collected under California Government Code Section 66001, the Mitigation Fee Act, for the specific improvements adopted by the City Council in Ordinance No. O-93-01. In FY 2019, the City updated and restructured the previous Impact Fees. The fees were approved by Resolution No. 2019-011 and became effective April 20, 2019. The fees are increased by various price inflators on January 1st of each year unless changed otherwise by City Council.

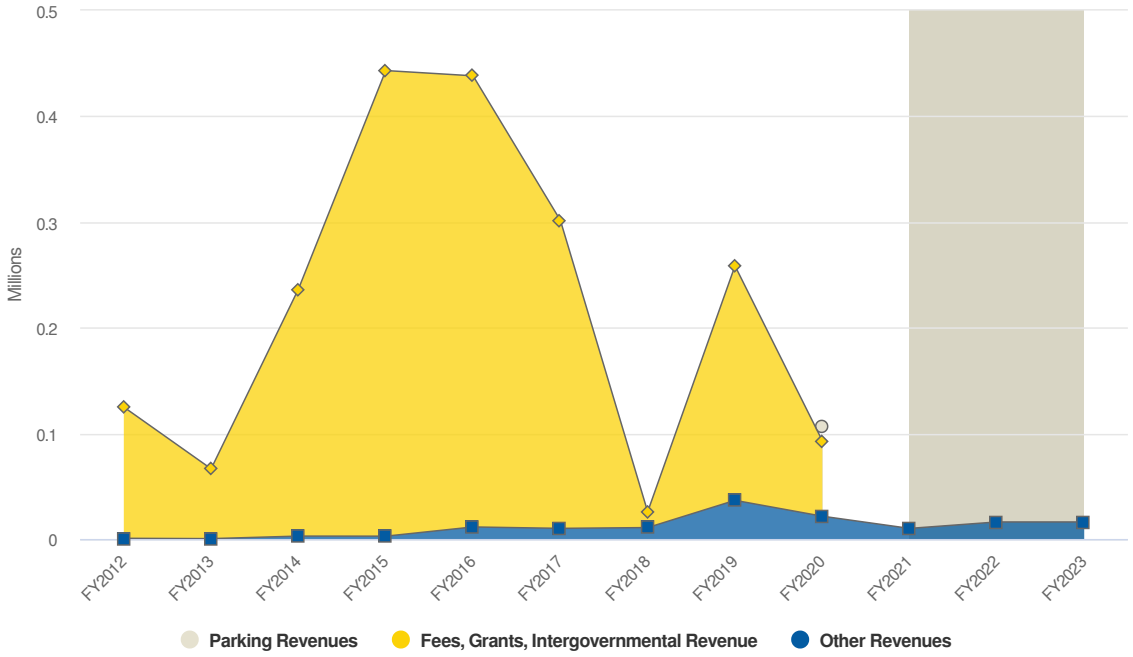
Summary

The City of Pismo Beach is projecting $16.1K of revenue in FY2022, which represents a 61% increase over the prior year. Budgeted expenditures are projected to decrease by 99.8% or $616.92K to $1.35K in FY2022.



Revenues by Source

Budgeted and Historical 2022 Revenues by Source

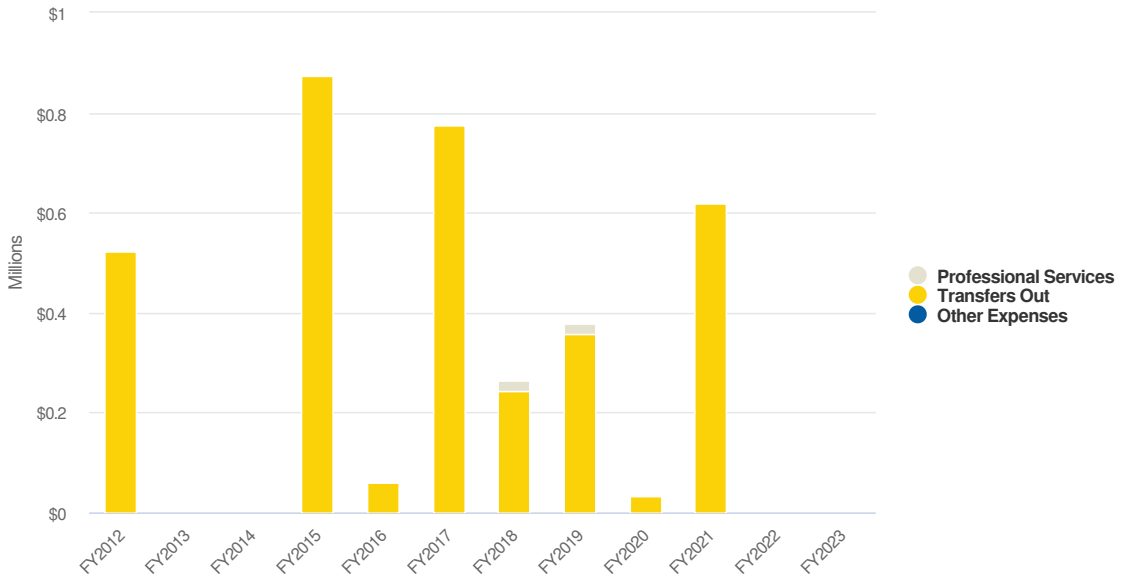


Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Revenue Source									
Other Revenues	$10,782	$36,552	$21,547	$10,000	$16,100	$16,100	61%	0%	0%
Fees, Grants, Intergovernmental Revenue	$14,965	$221,898	$71,430	$0	$0	$0	0%	0%	0%
Parking Revenues	$0	$0	$13,158	$0	$0	$0	0%	0%	0%
Total Revenue Source:	**$25,747**	**$258,450**	**$106,134**	**$10,000**	**$16,100**	**$16,100**	**61%**	**0%**	**0%**

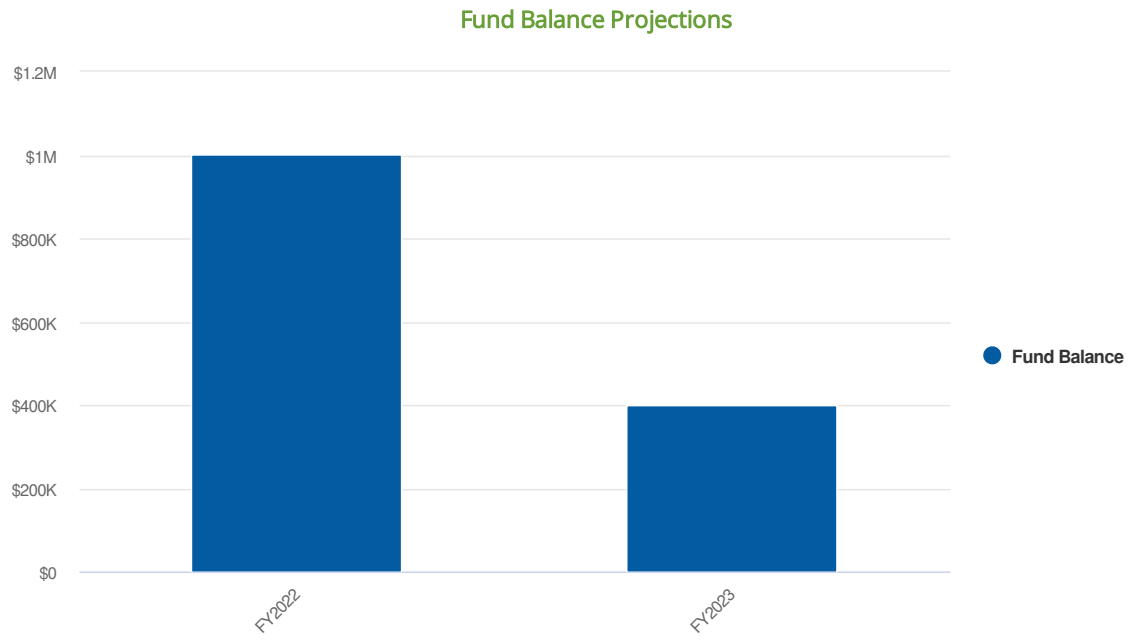
Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Expense Objects									
Professional Services	$19,684	$19,109	$845	$0	$0	$0	0%	0%	0%
Other Expenses	$1,104	$1,164	$1,225	$1,286	$1,350	$1,418	5%	-4.8%	5%
Transfers Out	$241,975	$357,143	$31,894	$616,983	$0	$0	-100%	0%	0%
Total Expense Objects:	**$262,763**	**$377,416**	**$33,964**	**$618,269**	**$1,350**	**$1,418**	**-99.8%**	**-4.8%**	**5%**

Fund Balance



The Water Enterprise Funds consist of the Water Operating Fund, the Water Tax Fund, the Water Construction Fund, and the Water Expansion Fund. Each of these funds supports different sources and uses. Looking at all Water Enterprise Funds combined, water revenues in the Water Enterprise Funds are from water service charges, sales from water usage, and transfers in from other funds. Expenditures from the Water Enterprise Funds are from San Luis Obispo County and the Central Coast Water Authority for the costs of providing water to the City. In addition, costs include personnel, utilities, supplies, materials, and transfers to other funds.

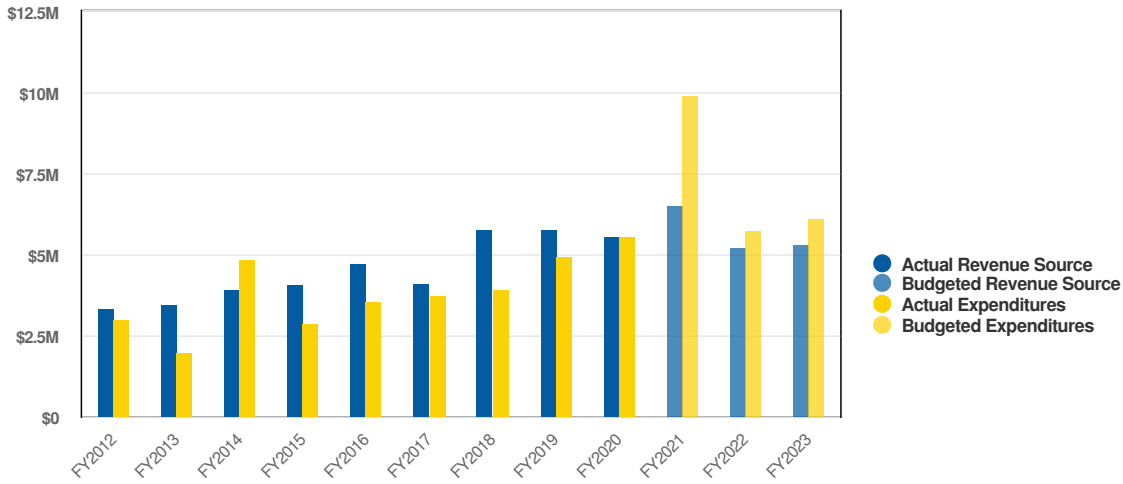
Water Enterprise Fund

The Water Enterprise Fund shown below includes operations and billing is responsible for ensuring that a safe, drinkable supply of water is provided to Pismo Beach. This responsibility is accomplished through ongoing inspection, repair and maintenance of the City's wells, tanks, booster stations, hydro-pneumatic system, and water distribution system components. The City's water distribution system and supply are sampled in accordance with California Department of Public Health regulations and guidelines. Tasks also include educating water customers on water quality, cost, and conservation issues.

The Water Billing activity accounts for staff, contract meter reading and direct services and supplies related to water billings. Bills are sent to approximately half of the City's customers each month. This unit of the Administrative Services Department also handles public requests for new service and service shutoff.

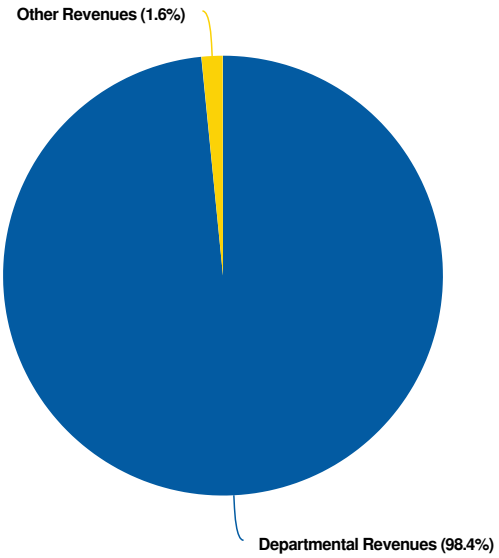
Summary

The City of Pismo Beach is projecting $5.24M of revenue in FY2022, which represents a 19.9% decrease over the prior year. Budgeted expenditures are projected to decrease by 42.3% or $4.2M to $5.73M in FY2022.

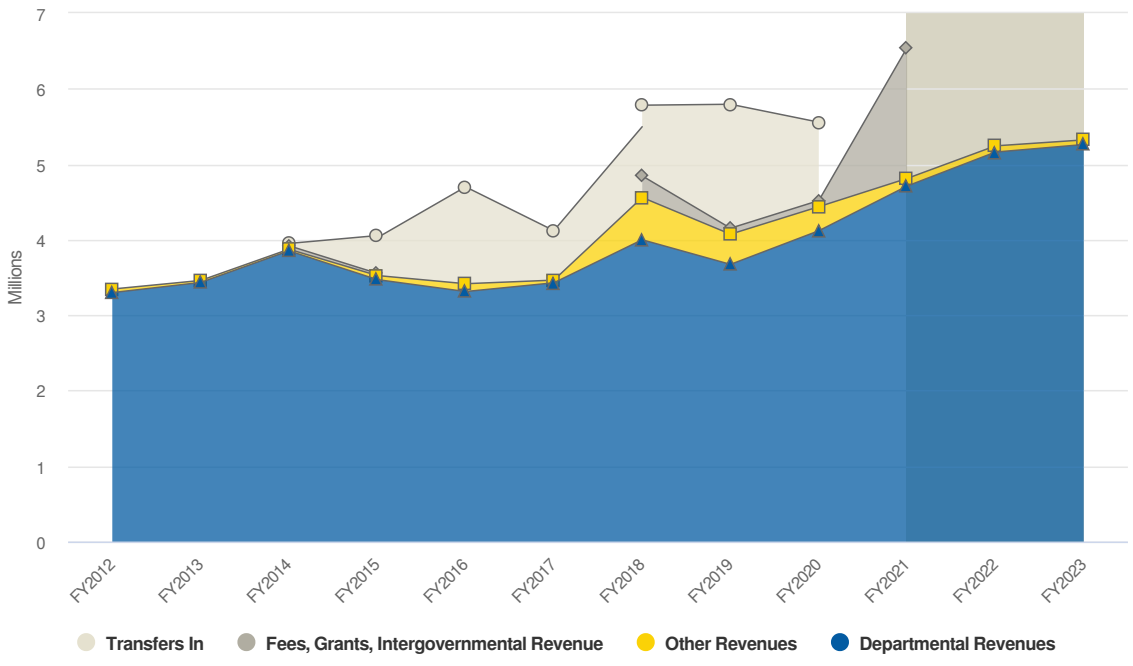


Revenues by Source

Projected 2022 Revenues by Source



Budgeted and Historical 2022 Revenues by Source

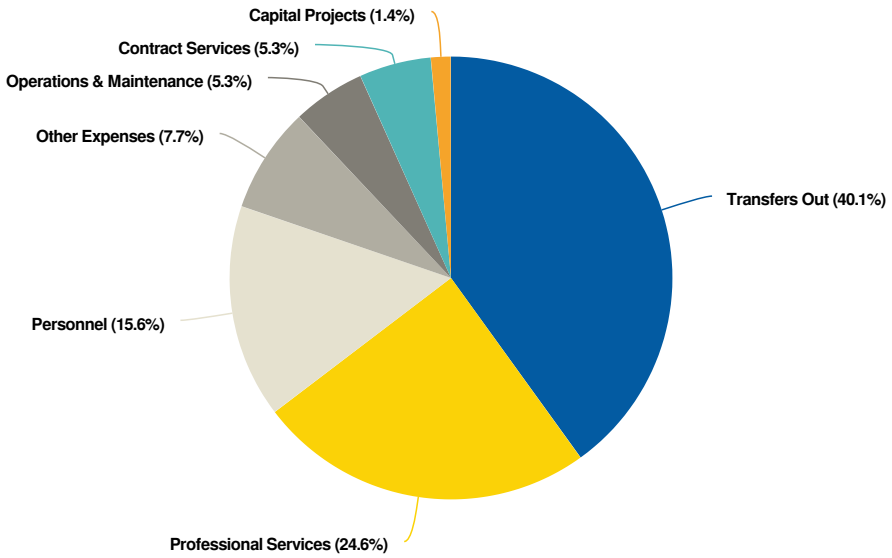


Grey background indicates budgeted figures.

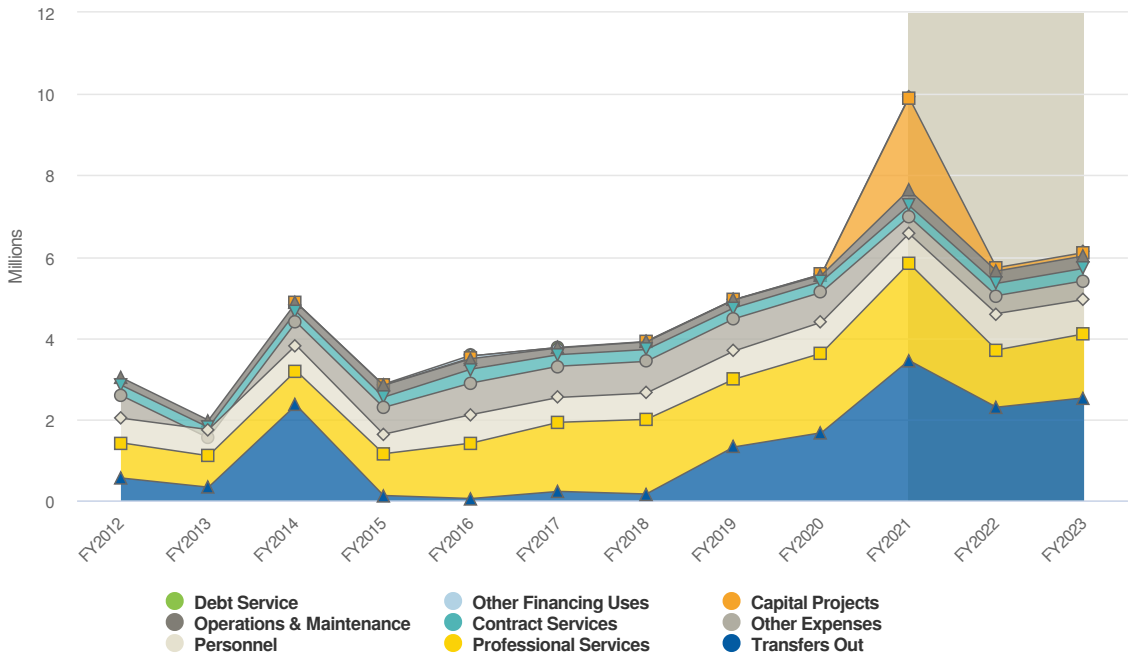
Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Revenue Source									
Other Revenues	$560,847	$399,810	$318,714	$101,000	$82,300	$61,300	-18.5%	34.3%	-25.5%
Fees, Grants, Intergovernmental Revenue	$285,469	$79,475	$81,393	$1,733,992	$0	$0	-100%	0%	0%
Departmental Revenues	$3,998,239	$3,672,204	$4,117,681	$4,710,000	$5,160,000	$5,260,000	9.6%	-1.9%	1.9%
Transfers In	$936,704	$1,641,971	$1,038,496	$0	$0	$0	0%	0%	0%
Total Revenue Source:	**$5,781,259**	**$5,793,460**	**$5,556,284**	**$6,544,992**	**$5,242,300**	**$5,321,300**	**-19.9%**	**-1.5%**	**1.5%**

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



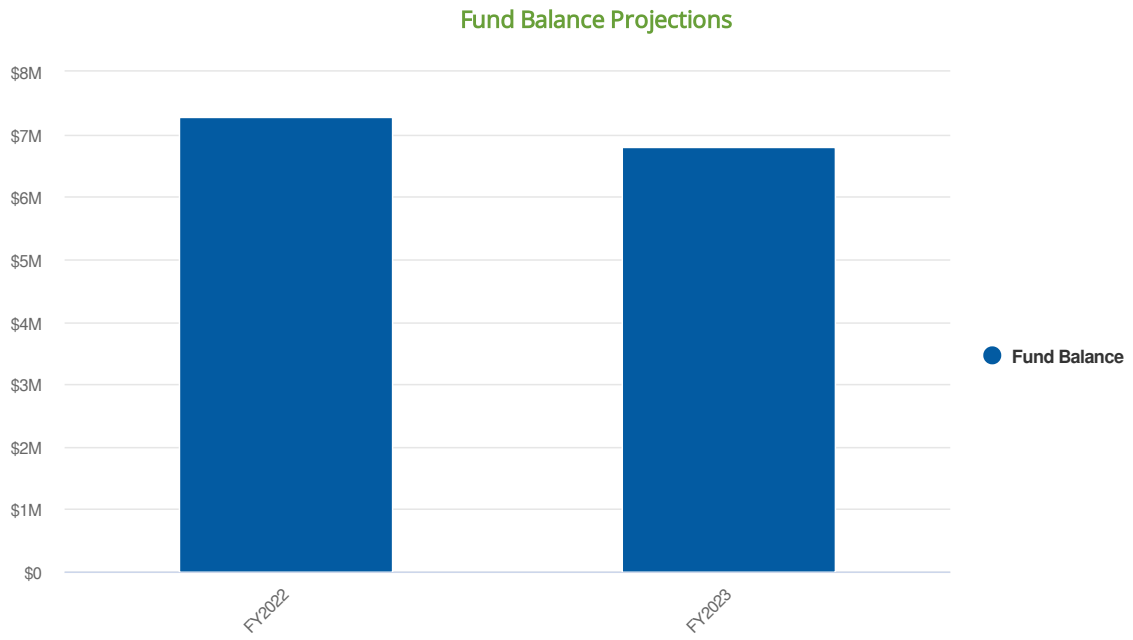
Budgeted and Historical Expenditures by Expense Type



Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Expense Objects									
Personnel	$646,926	$693,572	$762,990	$730,518	$893,784	$844,667	22.3%	5.8%	-5.5%
Professional Services	$1,834,575	$1,666,156	$1,954,924	$2,390,823	$1,408,206	$1,573,656	-41.1%	-10.5%	11.7%
Contract Services	$291,369	$268,721	$264,759	$274,605	$301,414	$306,601	9.8%	-1.7%	1.7%
Operations & Maintenance	$188,931	$196,666	$153,993	$379,876	$303,707	$304,266	-20.1%	-0.2%	0.2%
Other Expenses	$779,656	$792,750	$735,948	$416,326	$441,701	$461,631	6.1%	-4.3%	4.5%
Capital Projects	$8,433	$3,485	$19,683	$2,275,568	$83,000	$83,000	-96.4%	0%	0%
Other Financing Uses	$8,598	$2,450	$5,366	$15,125	$0	$15,000	-100%	-100%	N/A
Transfers Out	$158,799	$1,314,932	$1,665,216	$3,443,967	$2,293,392	$2,523,817	-33.4%	-9.1%	10%
Total Expense Objects:	**$3,917,287**	**$4,938,733**	**$5,562,879**	**$9,926,808**	**$5,725,204**	**$6,112,638**	**-42.3%**	**-6.3%**	**6.8%**

Fund Balance

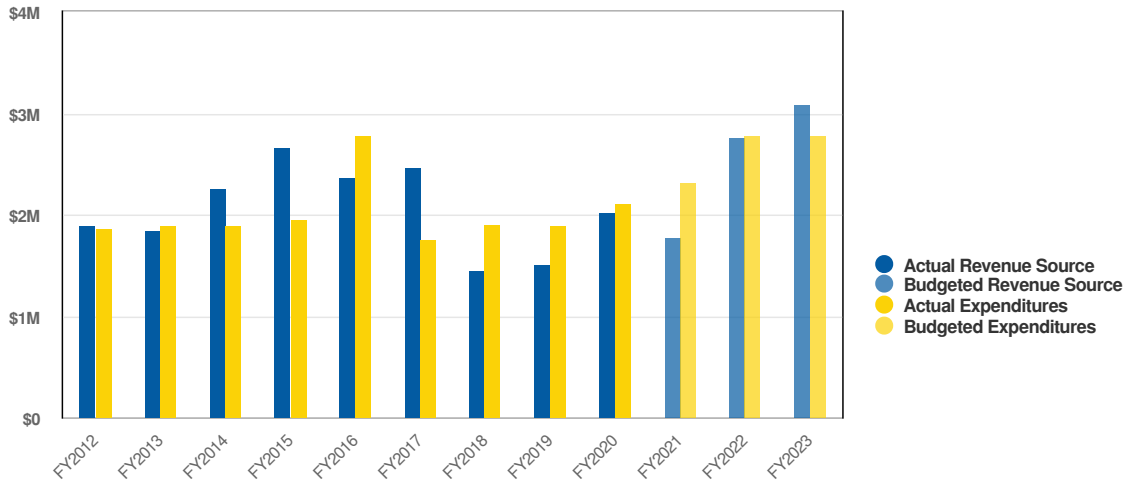


Water Tax Lopez State

This Water Tax Lopez and State Water Fund accounts for the expenditure of the special water tax, adopted by Pismo Beach voters in 1997. Proceeds of the tax can be used only for fixed costs of state water and/or Lopez Reservoir water. The voters set the maximum tax rate at $208.24 per EDU (equivalent dwelling unit) for FY 2022. The tax rate rises annually at the same rate as the consumer price index, up to a maximum of 3%. The actual tax rate set in any year must take into account the amount of state water impact fee revenues actually received by the City in the prior year, as a way of minimizing the tax rate level. Reserves can be accrued but cannot exceed 25% of the annual fixed costs of the state and Lopez water systems.

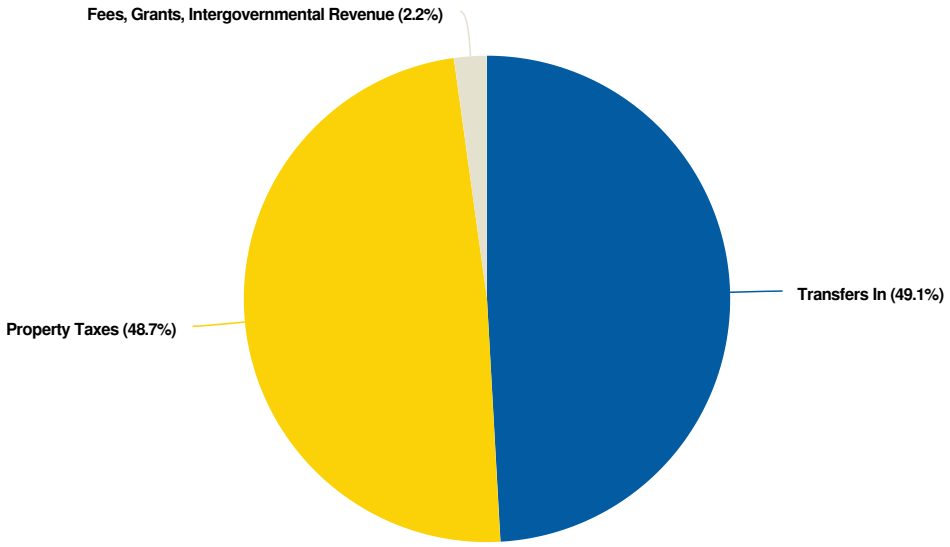
Summary

The City of Pismo Beach is projecting $2.77M of revenue in FY2022, which represents a 56.4% increase over the prior year. Budgeted expenditures are projected to increase by 19.4% or $452.18K to $2.78M in FY2022.

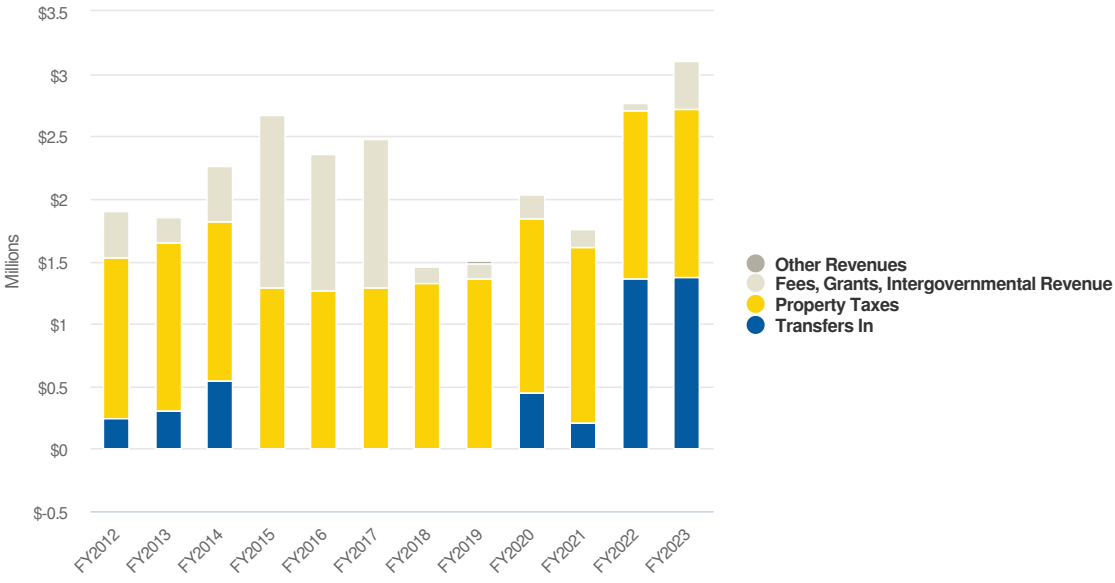


Revenues by Source

Projected 2022 Revenues by Source



Budgeted and Historical 2022 Revenues by Source

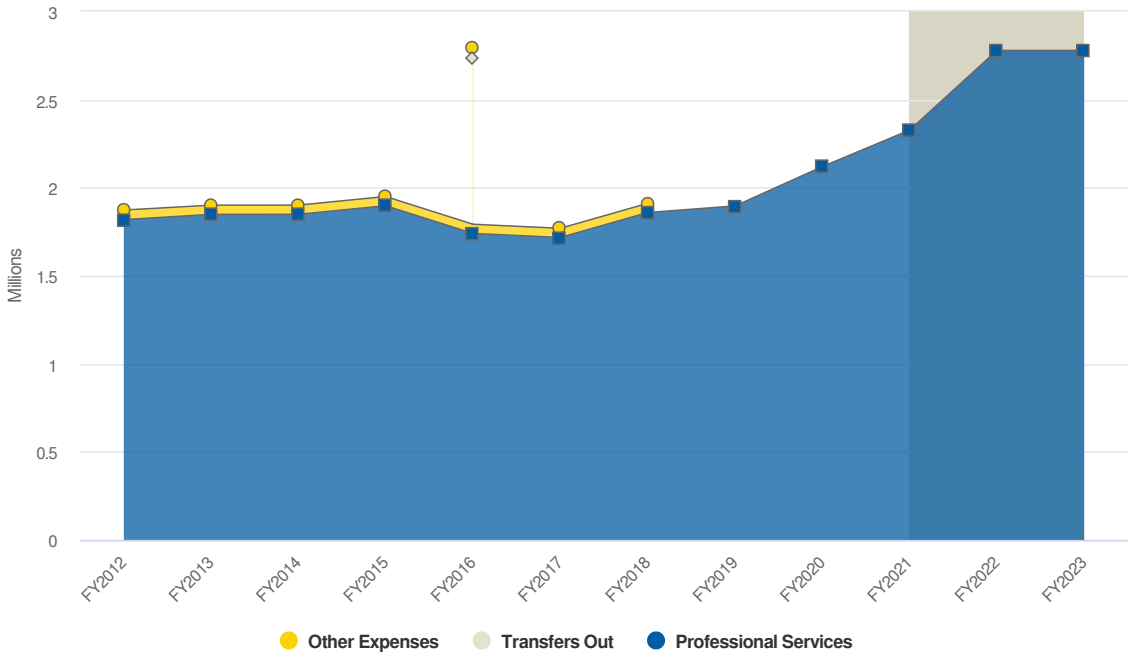


Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Revenue Source									
Property Taxes	$1,320,604	$1,362,579	$1,398,622	$1,400,000	$1,350,000	$1,350,000	-3.6%	0%	0%

Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Other Revenues	-$3,024	$25,675	$2,598	$10,000	$0	$0	-100%	0%	0%
Fees, Grants, Intergovernmental Revenue	$134,912	$117,277	$182,986	$150,000	$60,000	$380,000	-60%	-84.2%	533.3%
Transfers In	$0	$0	$448,675	$212,000	$1,362,000	$1,368,000	542.5%	-0.4%	0.4%
Total Revenue Source:	**$1,452,492**	**$1,505,531**	**$2,032,880**	**$1,772,000**	**$2,772,000**	**$3,098,000**	**56.4%**	**-10.5%**	**11.8%**

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type

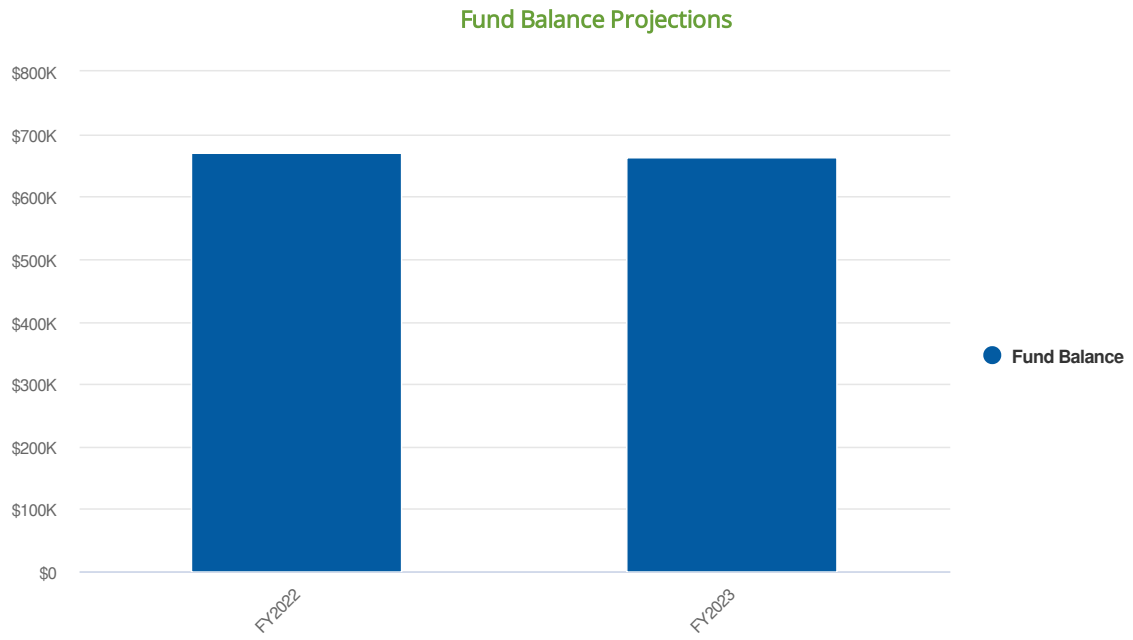


Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Expense Objects									
Professional Services	$1,858,544	$1,895,962	$2,119,108	$2,326,753	$2,778,933	$2,778,933	19.4%	0%	0%

Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Other Expenses	$52,213	$0	$0	$0	$0	$0	0%	0%	0%
Total Expense Objects:	**$1,910,758**	**$1,895,962**	**$2,119,108**	**$2,326,753**	**$2,778,933**	**$2,778,933**	**19.4%**	**0%**	**0%**

Fund Balance

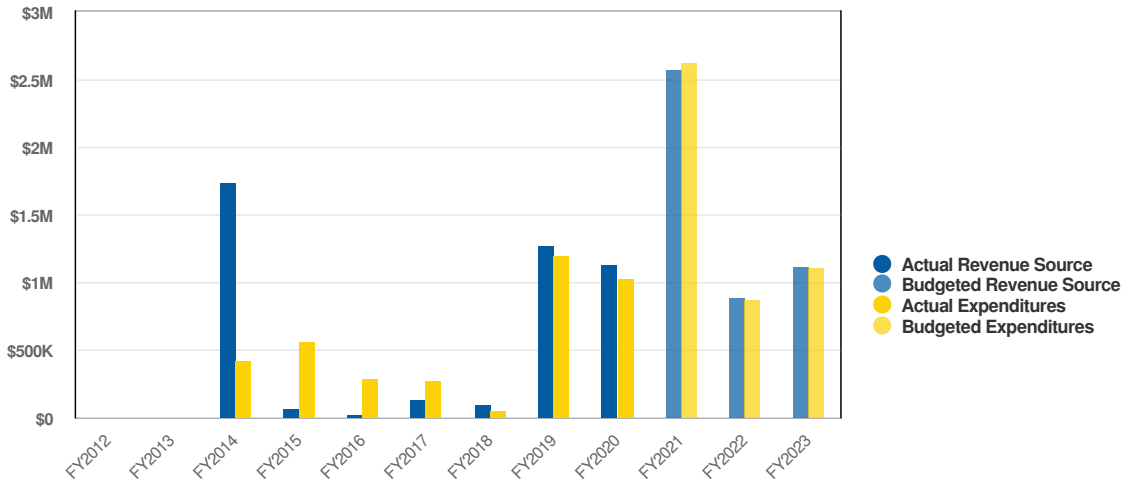


Water Construction Fund

The Water Construction Fund was created by Resolution No. R-2013-060, per the 2013 Water Rate Study, to capture the sources and uses of funds related to construction of the City's water system capital improvement program, separate from the normal operations of the water system. The City created the fund in July 2014. Beginning in FY 2015, all water construction projects are tracked in this fund.

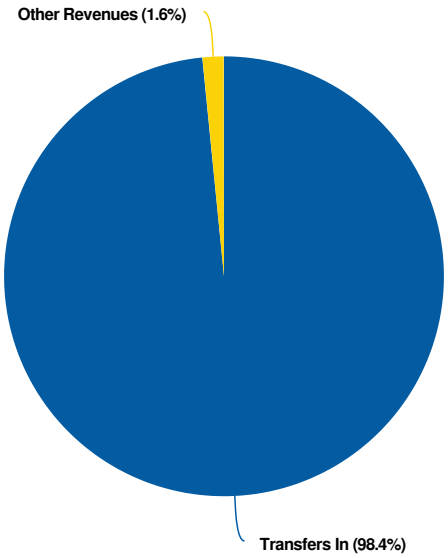
Summary

The City of Pismo Beach is projecting $893.3K of revenue in FY2022, which represents a 65.4% decrease over the prior year. Budgeted expenditures are projected to decrease by 66.6% or $1.75M to $879.3K in FY2022.

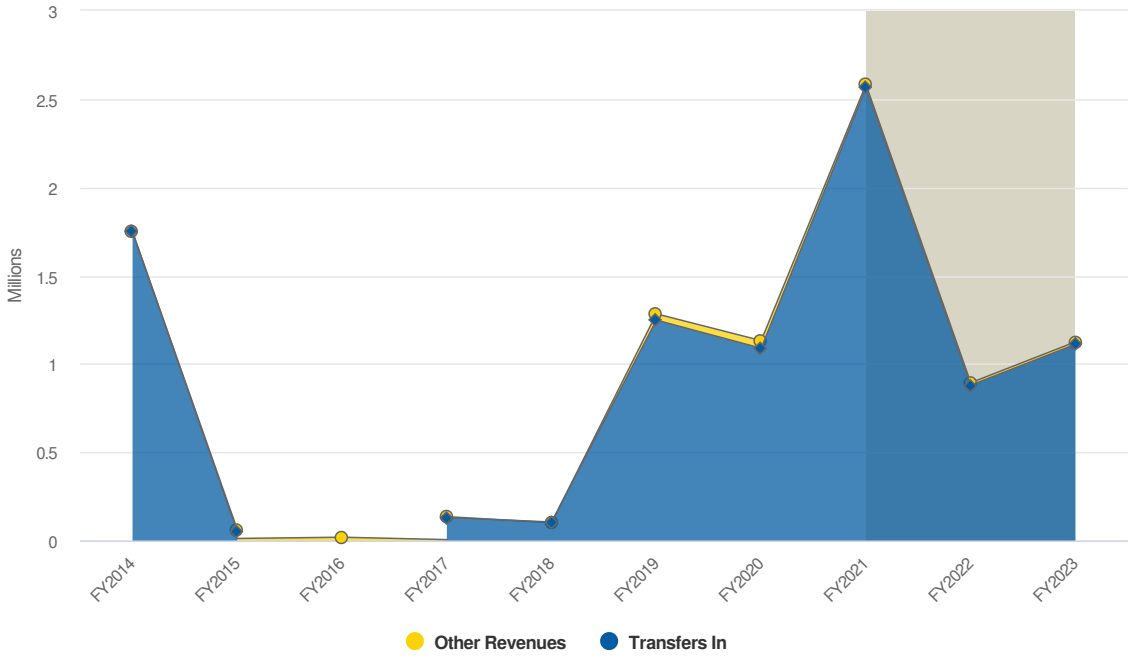


Revenues by Source

Projected 2022 Revenues by Source



Budgeted and Historical 2022 Revenues by Source

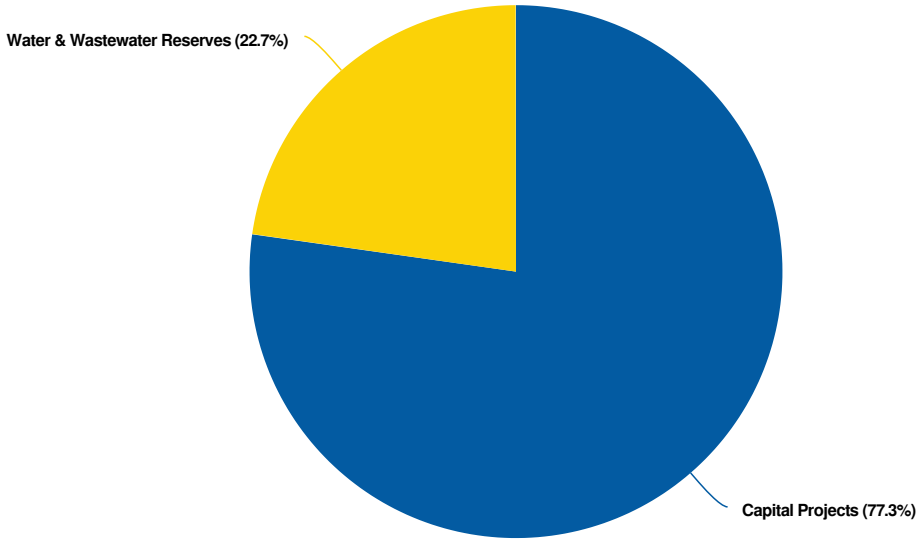


Grey background indicates budgeted figures.

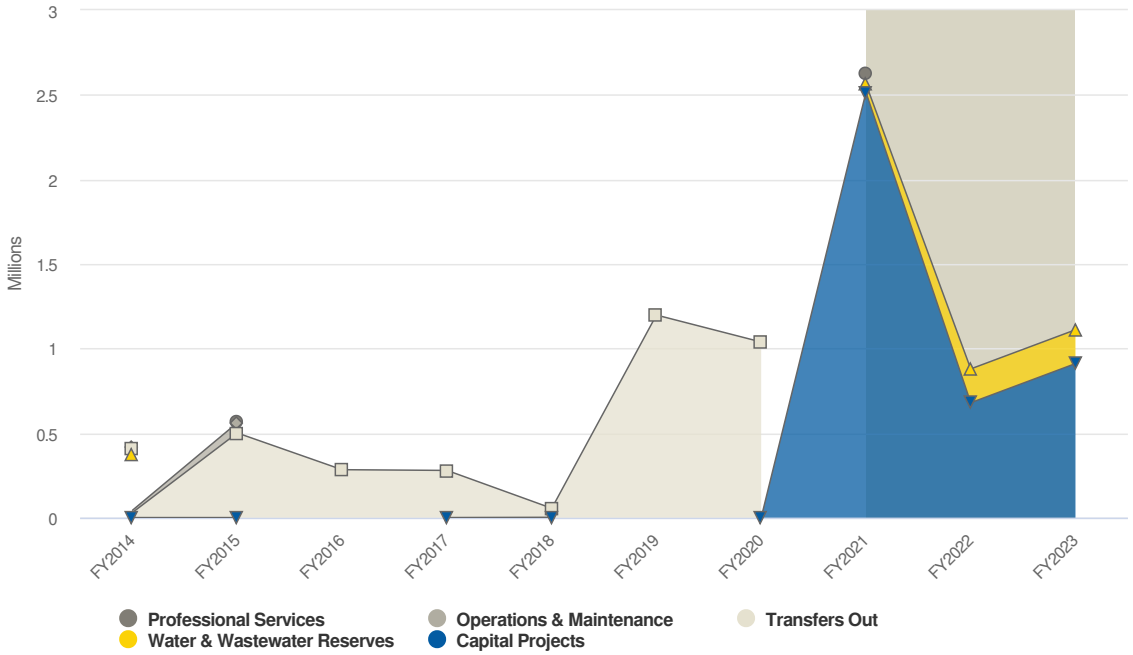
Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Revenue Source									
Other Revenues	-$3,650	$35,474	$43,250	$17,000	$14,000	$14,000	-17.6%	0%	0%
Transfers In	$104,723	$1,247,800	$1,088,496	$2,564,254	$879,300	$1,110,800	-65.7%	-20.8%	26.3%
Total Revenue Source:	**$101,073**	**$1,283,274**	**$1,131,746**	**$2,581,254**	**$893,300**	**$1,124,800**	**-65.4%**	**-20.6%**	**25.9%**

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



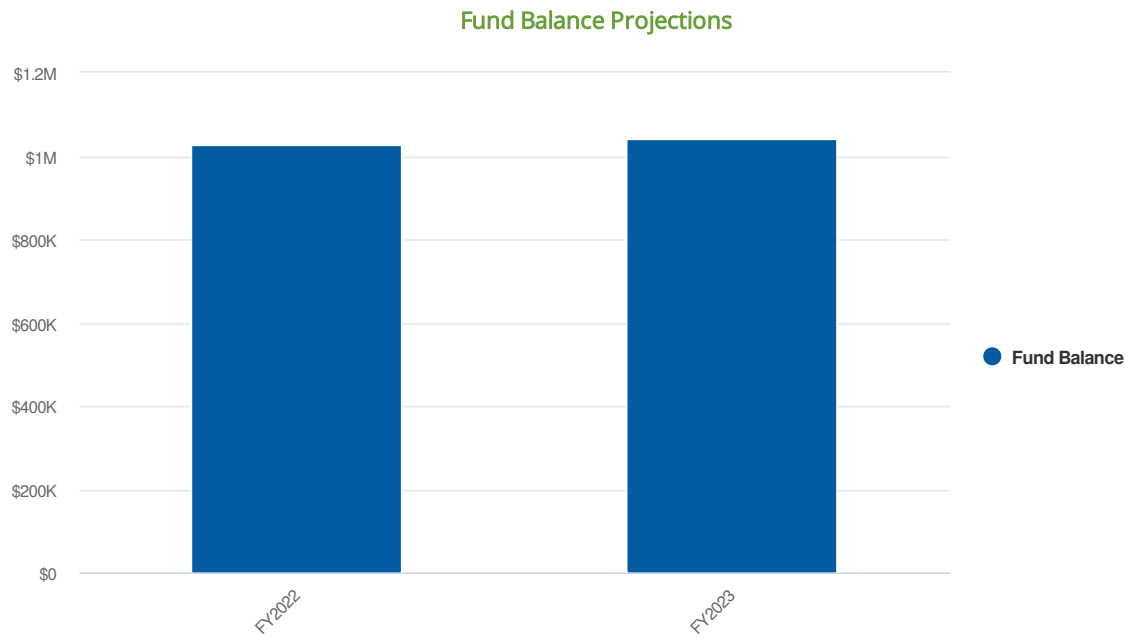
Budgeted and Historical Expenditures by Expense Type



Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Expense Objects									
Professional Services	$0	$0	$0	$65,763	$0	$0	-100%	0%	0%
Water & Wastewater Reserves	$0	$0	$0	$50,000	$200,000	$200,000	300%	0%	0%
Capital Projects	$1,904	$0	$0	$2,514,254	$679,300	$910,800	-73%	-25.4%	34.1%
Transfers Out	$53,568	$1,197,800	$1,038,496	$0	$0	$0	0%	0%	0%
Total Expense Objects:	**$55,473**	**$1,197,800**	**$1,038,496**	**$2,630,017**	**$879,300**	**$1,110,800**	**-66.6%**	**-20.8%**	**26.3%**

Fund Balance

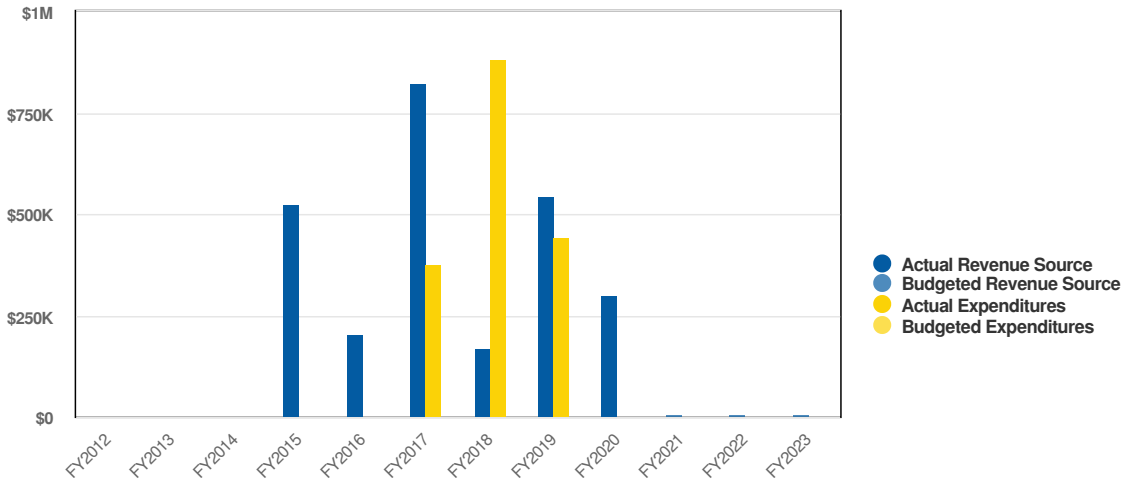


Water Expansion Fund

The Water Expansion Fund established in FY 2015 accounts for water development impact fees to protect public health, safety, and general welfare, and implementing the policies of the General Plan, by providing for the provision of adequate water supply to support orderly development. These fees were formerly deposited in the City's Impact Fee Fund, but have all been transferred to this fund. The Water Expansion Fund includes the Central Coast Blue development impact fee.

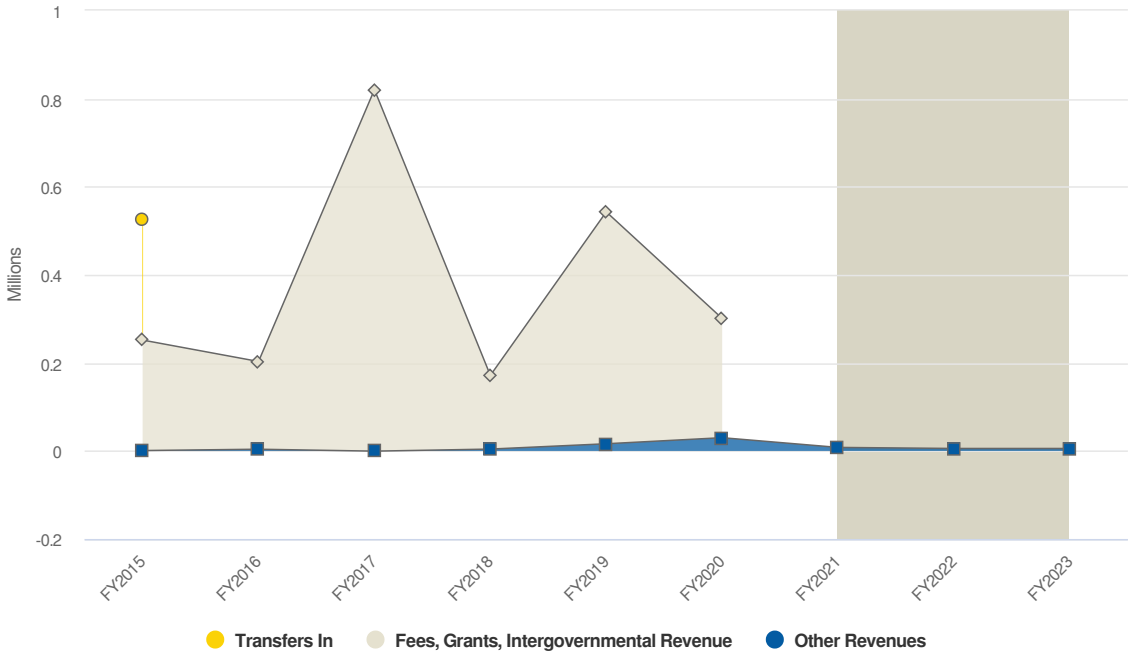
Summary

The City of Pismo Beach is projecting $5.6K of revenue in FY2022, which represents a 30% decrease over the prior year. Budgeted expenditures are projected to increase by 0% or N/A to N/A in FY2022.



Revenues by Source

Budgeted and Historical 2022 Revenues by Source

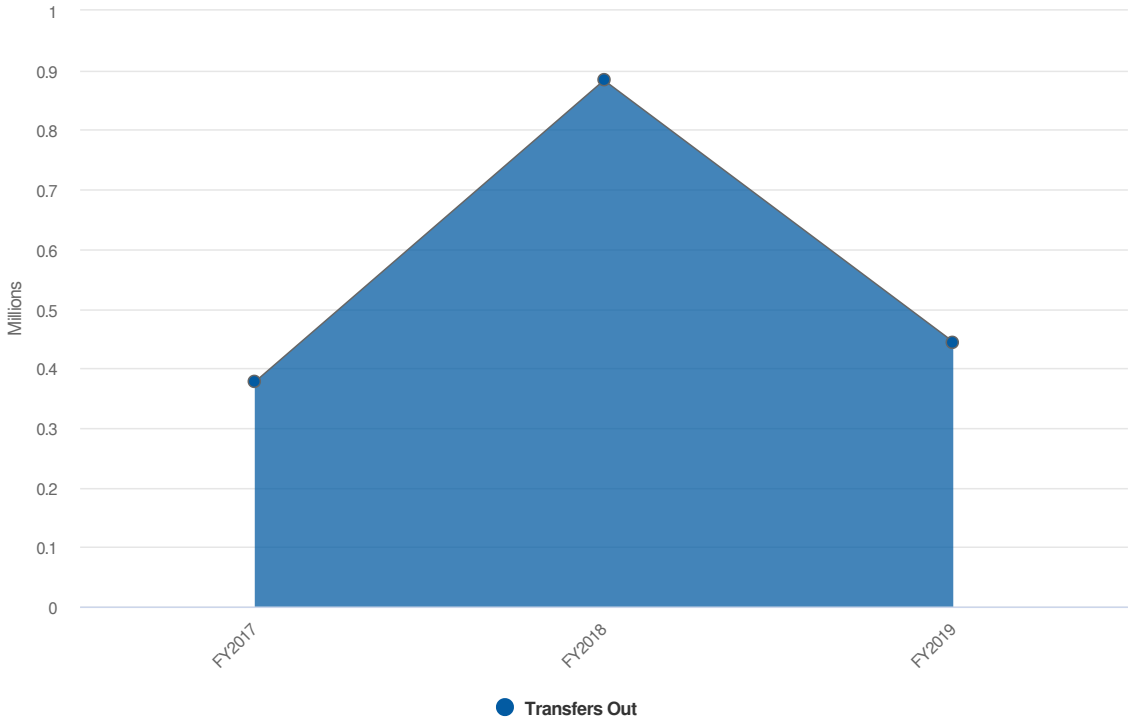


Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Revenue Source									
Other Revenues	$4,214	$16,284	$30,070	$8,000	$5,600	$5,600	-30%	0%	0%
Fees, Grants, Intergovernmental Revenue	$167,329	$526,632	$270,773	$0	$0	$0	0%	0%	0%
Total Revenue Source:	**$171,543**	**$542,915**	**$300,844**	**$8,000**	**$5,600**	**$5,600**	**-30%**	**0%**	**0%**

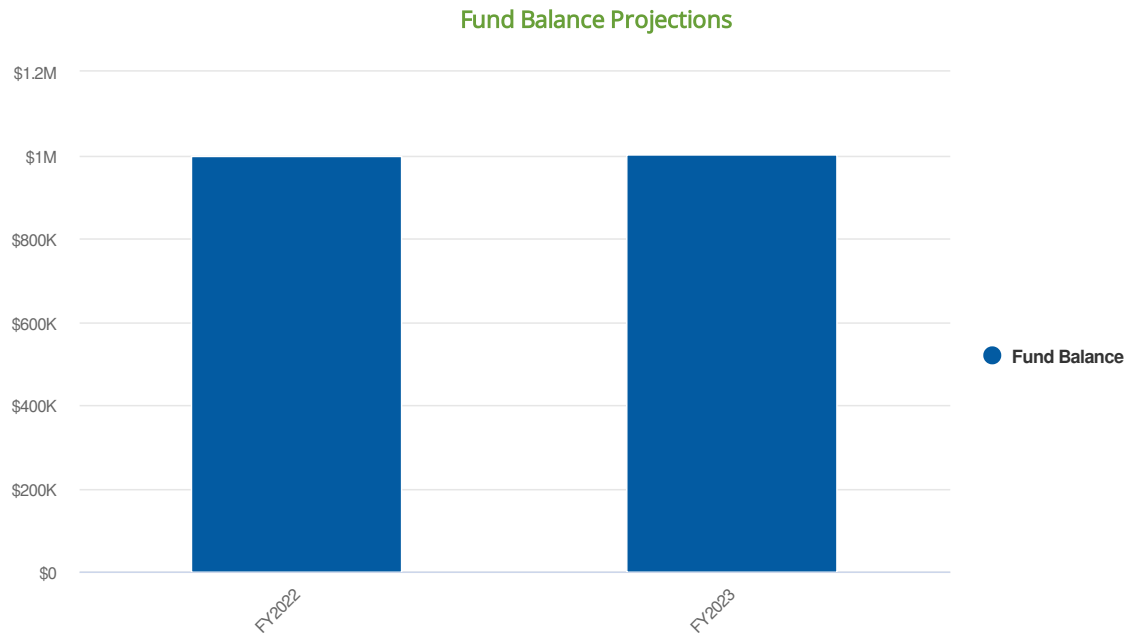
Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Expense Objects									
Transfers Out	$883,136	$444,171	$0	$0	$0	$0	0%	0%	0%
Total Expense Objects:	**$883,136**	**$444,171**	**$0**	**$0**	**$0**	**$0**	**0%**	**0%**	**0%**

Fund Balance



Wastewater Treatment Fund

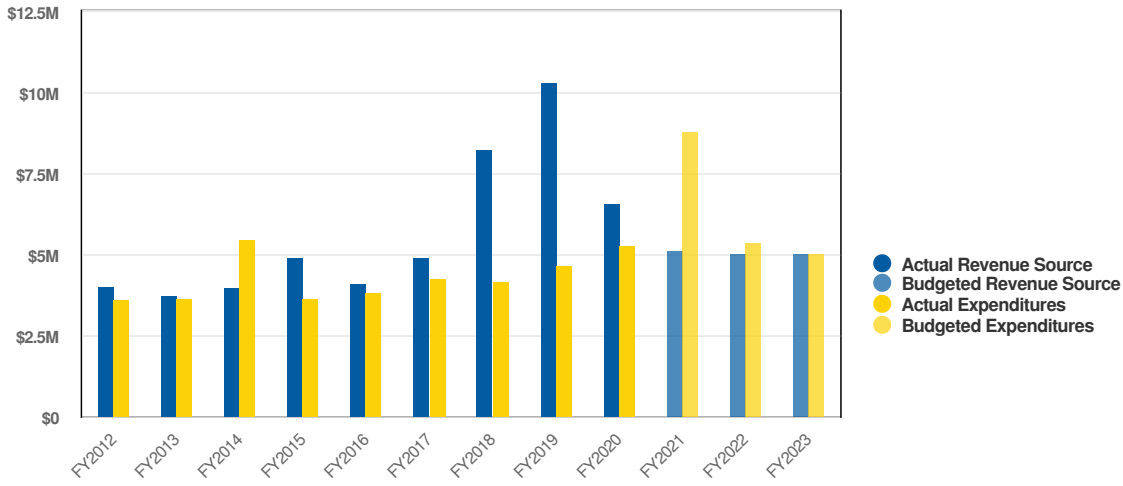
The Wastewater Enterprise Funds consist of the Wastewater Treatment or Operating Fund, the Wastewater Capital Projects Fund, and the Wastewater Expansion Fund. Each of these funds supports different sources and uses. Looking at all Wastewater Enterprise Funds combined, revenues in the Wastewater Enterprise Funds are from service charges for providing wastewater facilities, and transfers in from other funds. Expenditures in the Wastewater Enterprise Funds include costs for running a wastewater treatment plant, personnel costs, transfers in from other funds, and debt service costs related to the funding of the wastewater treatment plant and other wastewater facilities.

The Wastewater Treatment or Operations Fund shown below includes wastewater operations and billing. The Wastewater Operations Division is responsible for protecting public health and the environment by ensuring that the City's treatment and collection system operations meet all City, federal, and state laws and requirements. This responsibility is accomplished by operation and maintenance of the City's wastewater treatment plant, located on Frady Lane at the City corporation yard, and by operation and maintenance of the wastewater collection facilities including pumps and pipelines.

The Wastewater Billing activity accounts for staff, direct services, and supplies related to wastewater billings. Bills are sent to approximately half of the City's customers each month.

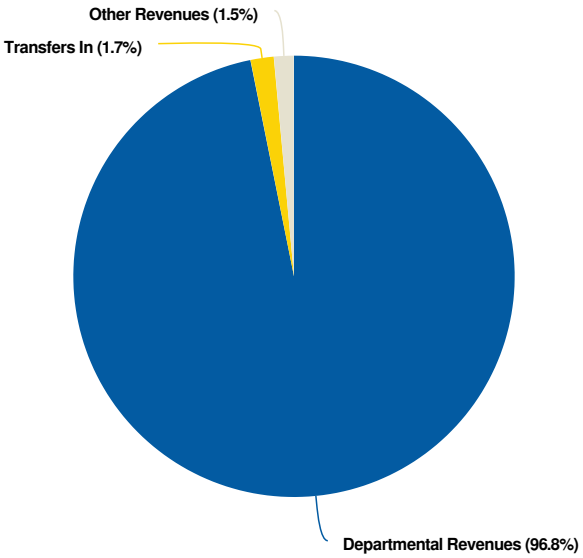
Summary

The City of Pismo Beach is projecting $5.06M of revenue in FY2022, which represents a 1.2% decrease over the prior year. Budgeted expenditures are projected to decrease by 38.8% or $3.41M to $5.37M in FY2022.

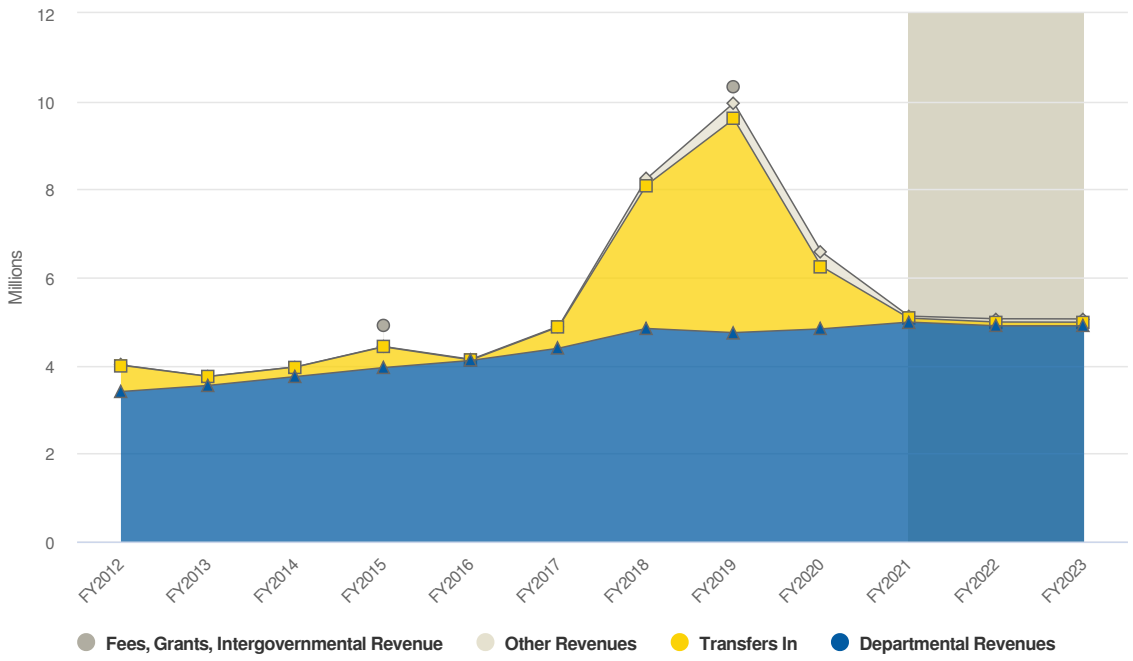


Revenues by Source

Projected 2022 Revenues by Source



Budgeted and Historical 2022 Revenues by Source

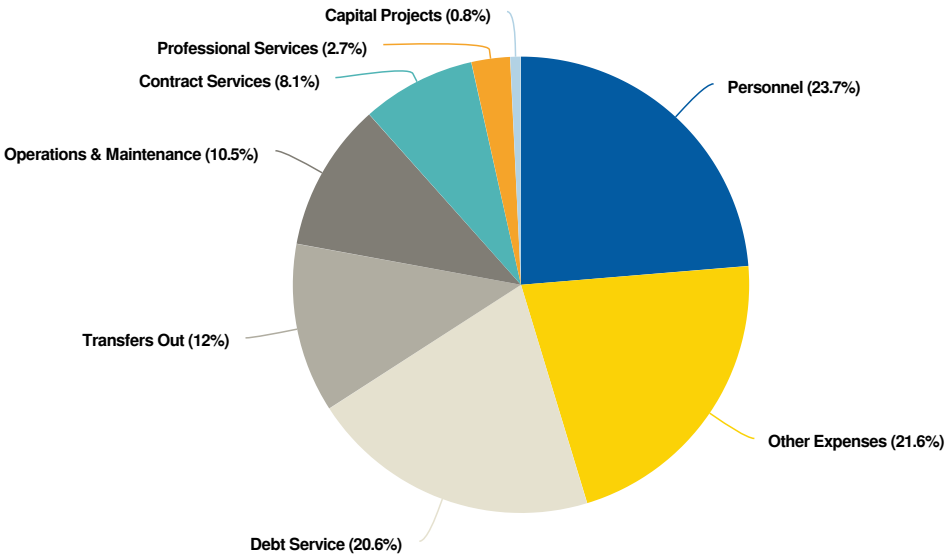


Grey background indicates budgeted figures.

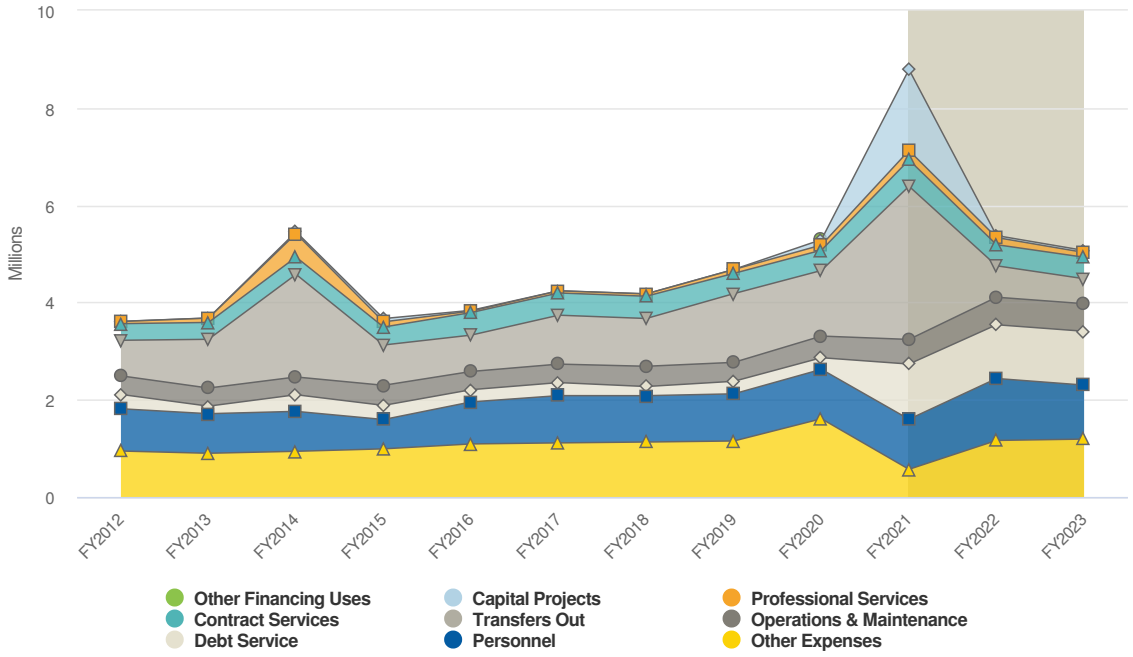
Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Revenue Source									
Other Revenues	$145,618	$365,411	$331,691	$45,000	$73,800	$73,800	64%	0%	0%
Fees, Grants, Intergovernmental Revenue	$0	$362,500	$0	$0	$0	$0	0%	0%	0%
Departmental Revenues	$4,839,743	$4,745,193	$4,829,840	$4,984,000	$4,900,000	$4,900,000	-1.7%	0%	0%
Transfers In	$3,250,367	$4,852,422	$1,418,104	$90,433	$86,054	$82,384	-4.8%	4.5%	-4.3%
Total Revenue Source:	**$8,235,728**	**$10,325,525**	**$6,579,635**	**$5,119,433**	**$5,059,854**	**$5,056,184**	**-1.2%**	**0.1%**	**-0.1%**

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



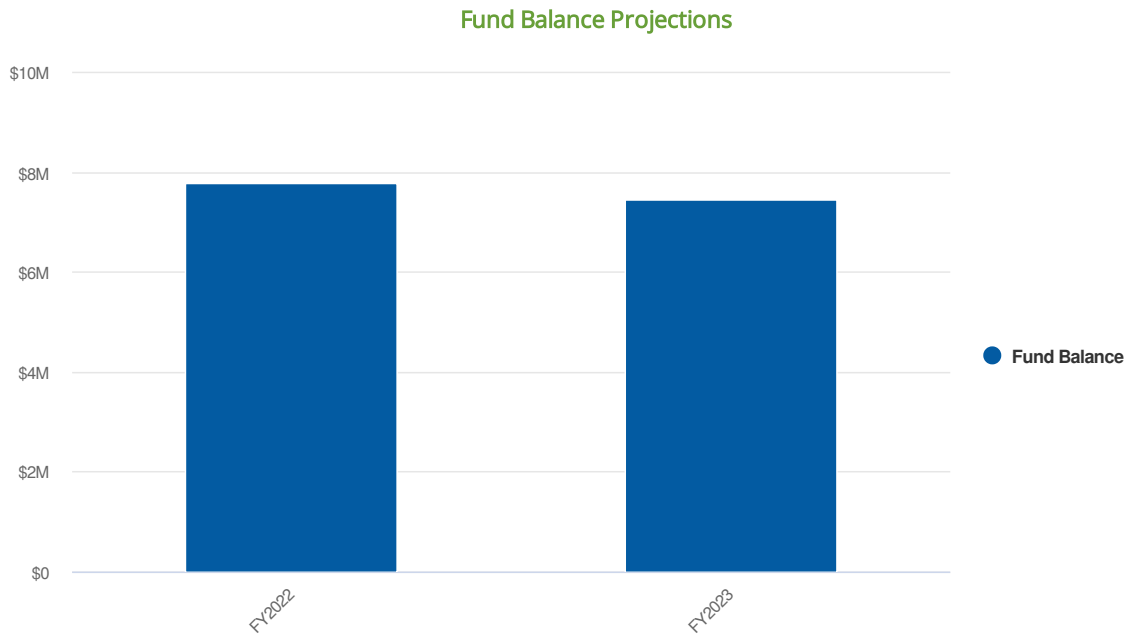
Budgeted and Historical Expenditures by Expense Type



Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Expense Objects									
Personnel	$952,723	$969,655	$1,016,404	$1,029,960	$1,273,537	$1,110,160	23.6%	14.7%	-12.8%
Professional Services	$48,136	$79,772	$106,081	$194,878	$146,925	$98,475	-24.6%	49.2%	-33%
Contract Services	$458,034	$416,184	$417,388	$540,834	$434,167	$441,598	-19.7%	-1.7%	1.7%
Operations & Maintenance	$416,475	$388,822	$445,051	$506,257	$566,238	$566,844	11.8%	-0.1%	0.1%
Other Expenses	$1,129,649	$1,150,911	$1,608,174	$568,508	$1,162,394	$1,190,042	104.5%	-2.3%	2.4%
Capital Projects	$111	$881	$110,629	$1,664,866	$40,800	$40,800	-97.5%	0%	0%
Debt Service	$188,295	$257,905	$238,648	$1,134,315	$1,105,051	$1,106,926	-2.6%	-0.2%	0.2%
Other Financing Uses	$0	$0	$5,408	$0	$0	$0	0%	0%	0%
Transfers Out	$982,418	$1,414,018	$1,348,613	$3,149,357	$645,843	$513,300	-79.5%	25.8%	-20.5%
Total Expense Objects:	**$4,175,841**	**$4,678,149**	**$5,296,397**	**$8,788,975**	**$5,374,955**	**$5,068,145**	**-38.8%**	**6.1%**	**-5.7%**

Fund Balance

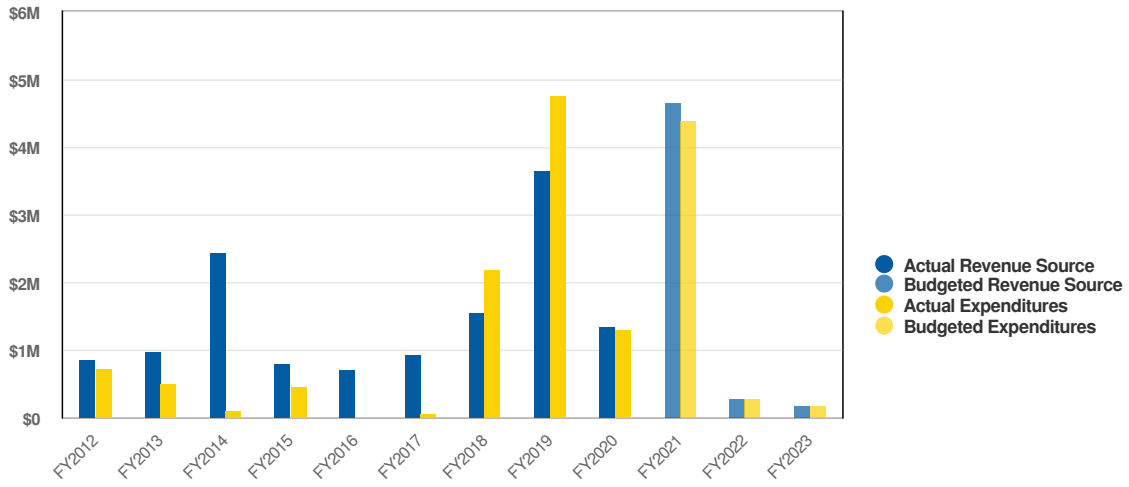


Wastewater Capital Projects

The Wastewater Construction Fund was created by Resolution No. R-2002-62, in accordance with the State Water Resources Control Board requirements of the State Revolving Fund Loan Program. The State Water Resources Control Board requires, as a condition of approval of the loan, the establishment of a Wastewater Capital Reserve Fund for future expansion, major repair, or replacement costs. The City created the fund in October 2002. All construction costs for the Wastewater Treatment Plant Project were accounted for in this fund. In addition, beginning in 2008, the City sets aside $111,000 per year from the Wastewater Enterprise Fund as a reserve, as required by the State Water Resources Control Board. Beginning in FY 2014, all wastewater construction projects are tracked in this fund.

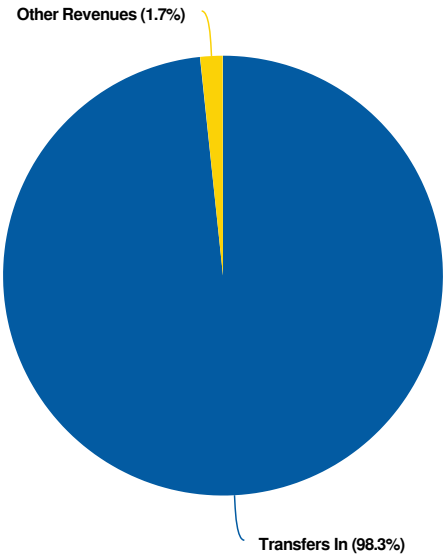
Summary

The City of Pismo Beach is projecting $300K of revenue in FY2022, which represents a 93.6% decrease over the prior year. Budgeted expenditures are projected to decrease by 93.3% or $4.1M to $295K in FY2022.

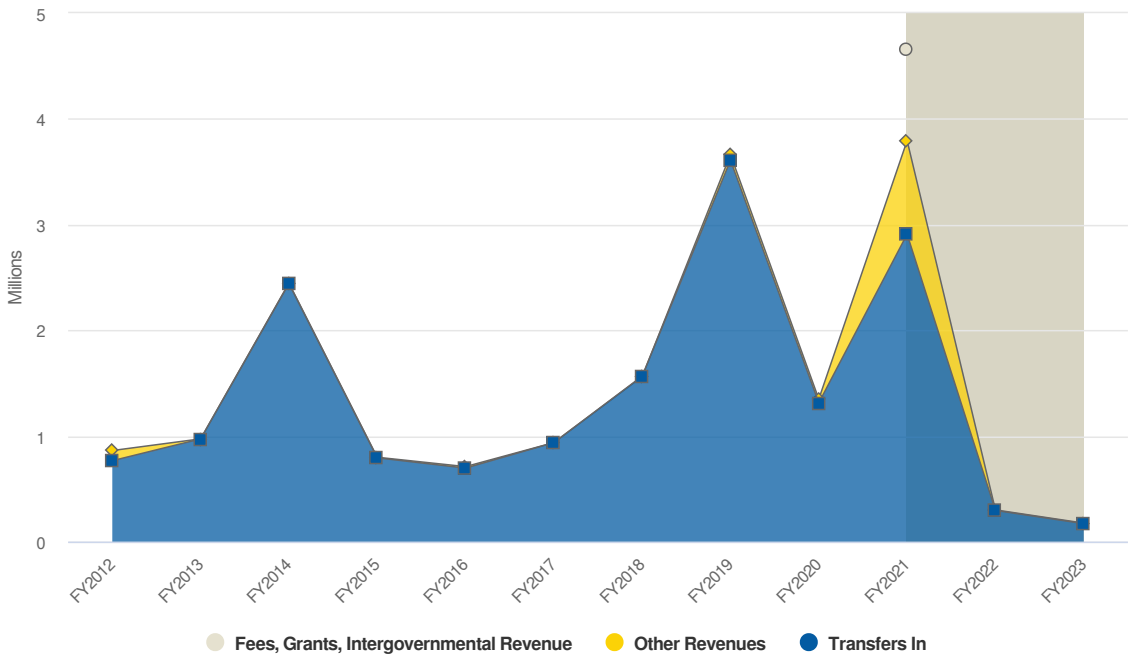


Revenues by Source

Projected 2022 Revenues by Source



Budgeted and Historical 2022 Revenues by Source

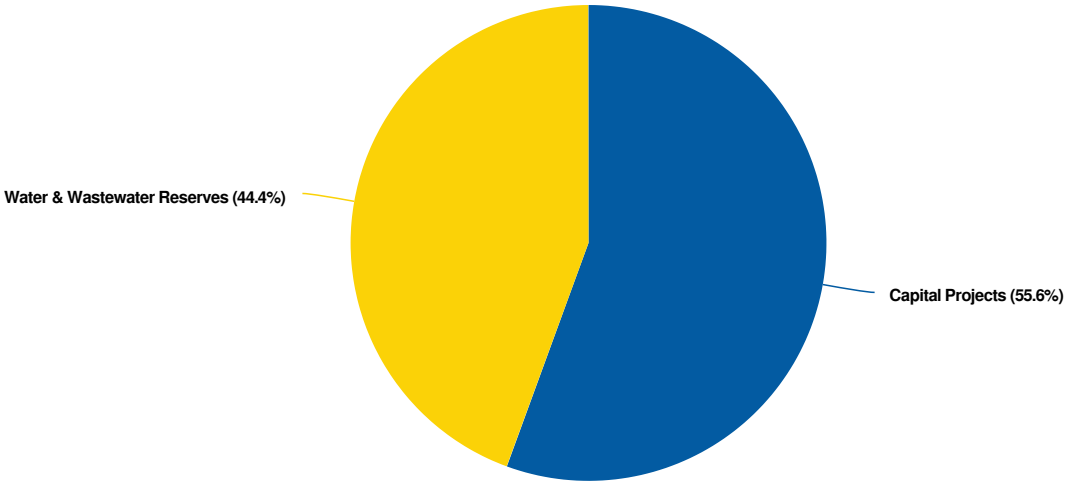


Grey background indicates budgeted figures.

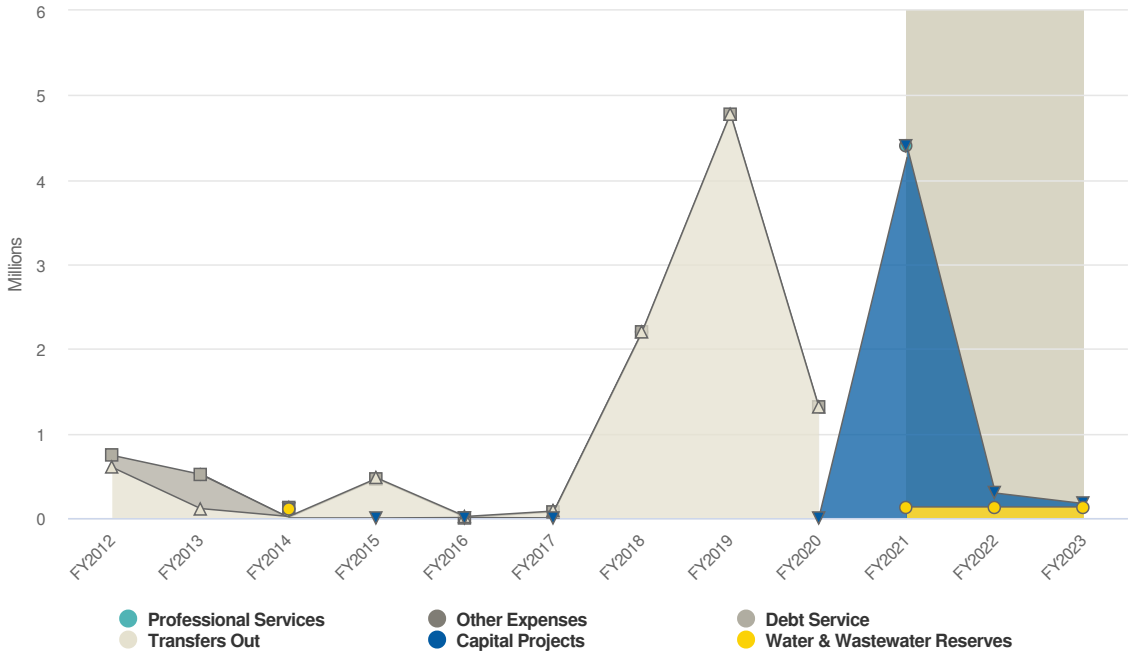
Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Revenue Source									
Other Revenues	-$4,205	$53,130	$35,955	$885,633	$5,000	$5,000	-99.4%	0%	0%
Fees, Grants, Intergovernmental Revenue	$0	$0	$0	$865,000	$0	$0	-100%	0%	0%
Transfers In	$1,565,714	$3,608,797	$1,312,931	$2,908,682	$295,000	$170,000	-89.9%	73.5%	-42.4%
Total Revenue Source:	**$1,561,508**	**$3,661,927**	**$1,348,886**	**$4,659,315**	**$300,000**	**$175,000**	**-93.6%**	**71.4%**	**-41.7%**

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



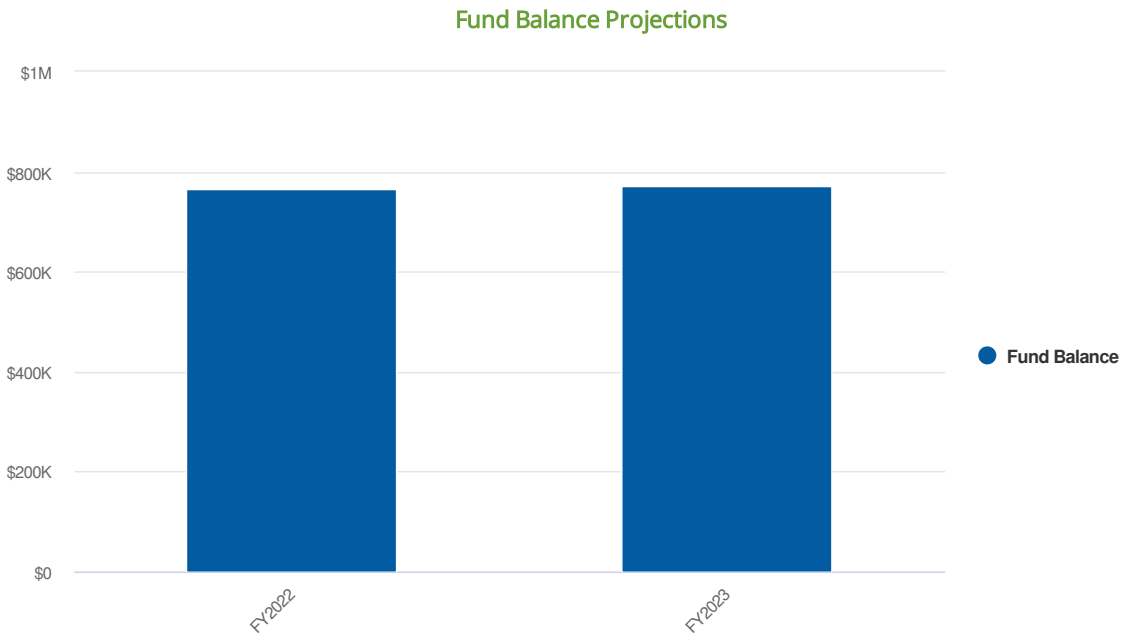
Budgeted and Historical Expenditures by Expense Type



Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Expense Objects									
Professional Services	$54	$0	$0	$1,124	$0	$0	-100%	0%	0%
Water & Wastewater Reserves	$0	$0	$0	$131,000	$131,000	$131,000	0%	0%	0%
Capital Projects	$0	$0	$1,064	$4,264,784	$164,000	$39,000	-96.2%	320.5%	-76.2%
Debt Service	-$10,322	-$10,391	-$10,498	$0	$0	$0	0%	0%	0%
Transfers Out	$2,205,005	$4,783,806	$1,319,027	$0	$0	$0	0%	0%	0%
Total Expense Objects:	**$2,194,737**	**$4,773,415**	**$1,309,593**	**$4,396,908**	**$295,000**	**$170,000**	**-93.3%**	**73.5%**	**-42.4%**

Fund Balance

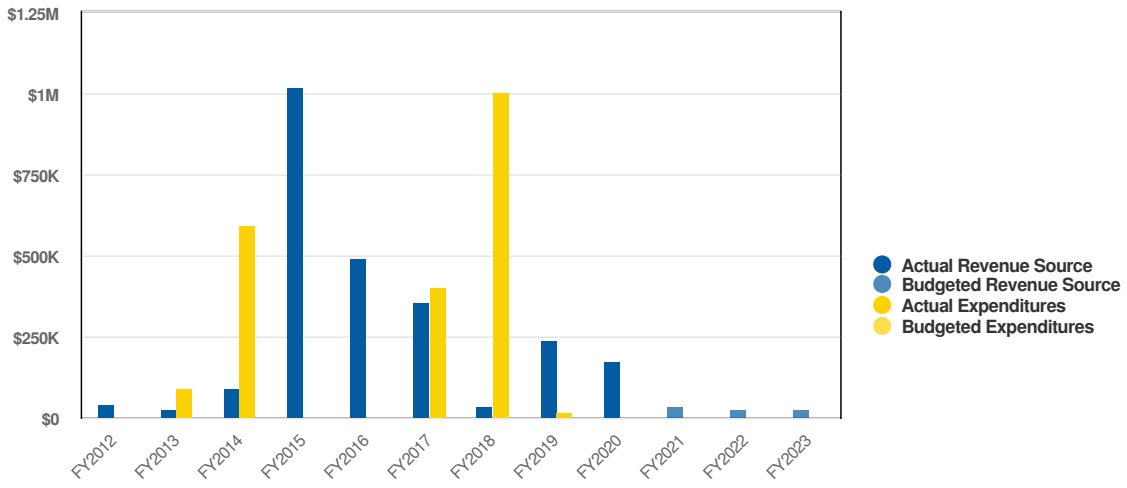


Wastewater Expansion

The Wastewater Expansion Fund was established to provide for additional facilities needed to serve additional population. Revenues for this fund consist of development fees on new construction. The Wastewater Expansion Fund includes the Central Coast Blue development impact fee.

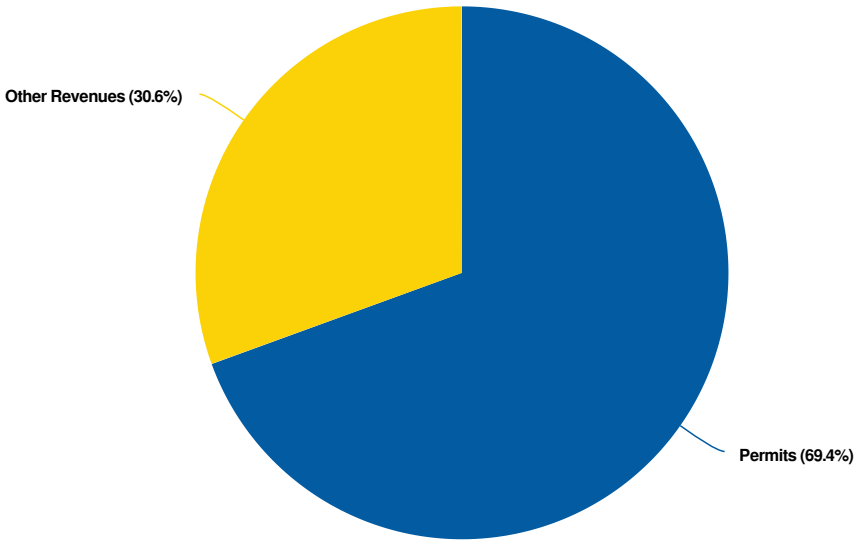
Summary

The City of Pismo Beach is projecting $28.8K of revenue in FY2022, which represents a 20% decrease over the prior year. Budgeted expenditures are projected to increase by 4.9% or $22 to $473 in FY2022.

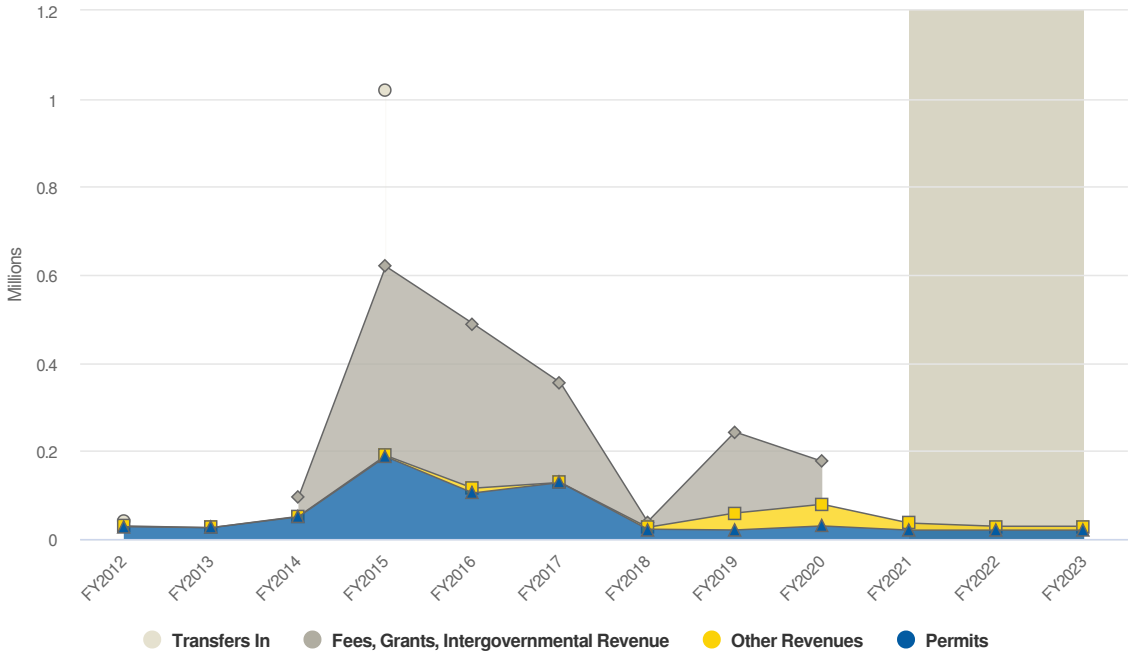


Revenues by Source

Projected 2022 Revenues by Source



Budgeted and Historical 2022 Revenues by Source

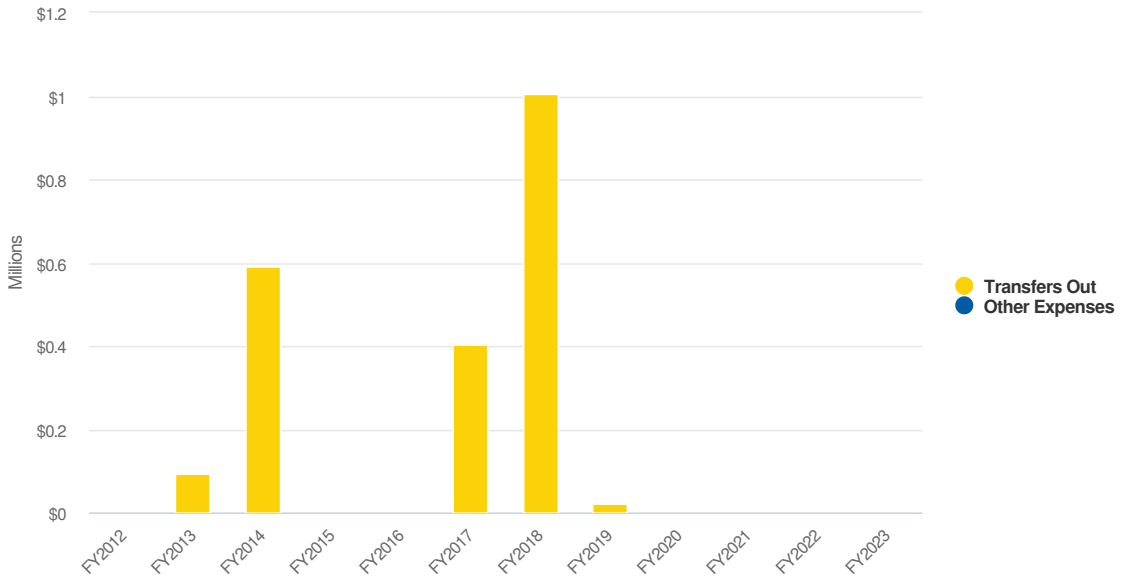


Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Revenue Source									
Permits	$22,121	$20,344	$29,550	$20,000	$20,000	$20,000	0%	0%	0%
Other Revenues	$4,317	$38,506	$49,200	$16,000	$8,800	$8,800	-45%	0%	0%
Fees, Grants, Intergovernmental Revenue	$12,677	$184,194	$97,453	$0	$0	$0	0%	0%	0%
Total Revenue Source:	**$39,115**	**$243,044**	**$176,203**	**$36,000**	**$28,800**	**$28,800**	**-20%**	**0%**	**0%**

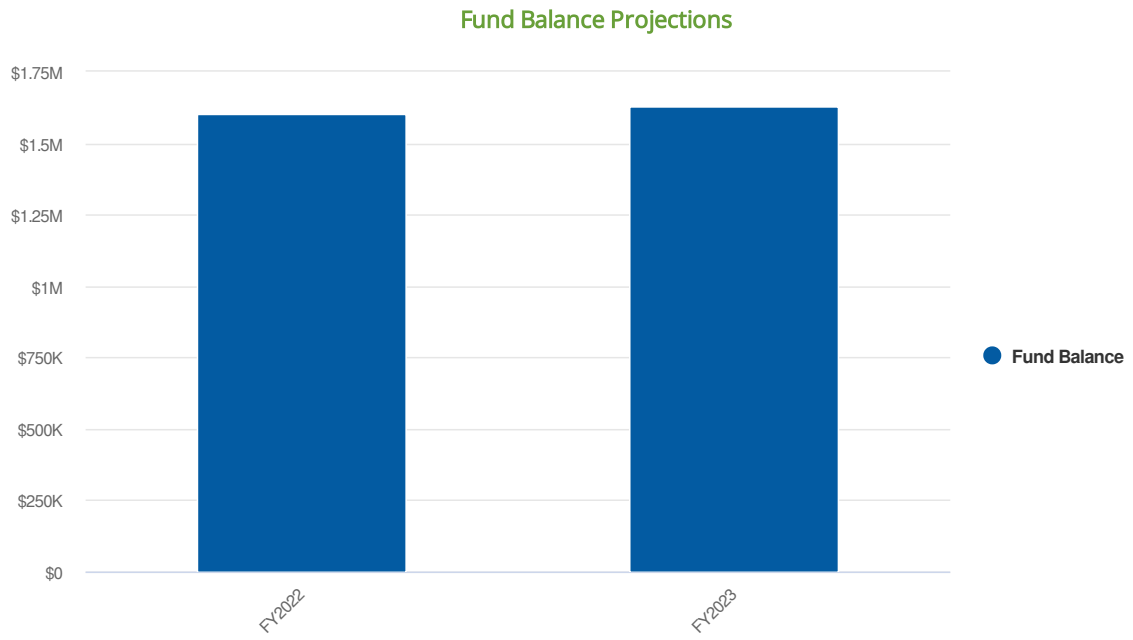
Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Expense Objects									
Other Expenses	$384	$408	$429	$451	$473	$497	4.9%	-4.8%	5.1%
Transfers Out	$1,003,918	$19,648	$0	$0	$0	$0	0%	0%	0%
Total Expense Objects:	**$1,004,302**	**$20,056**	**$429**	**$451**	**$473**	**$497**	**4.9%**	**-4.8%**	**5.1%**

Fund Balance

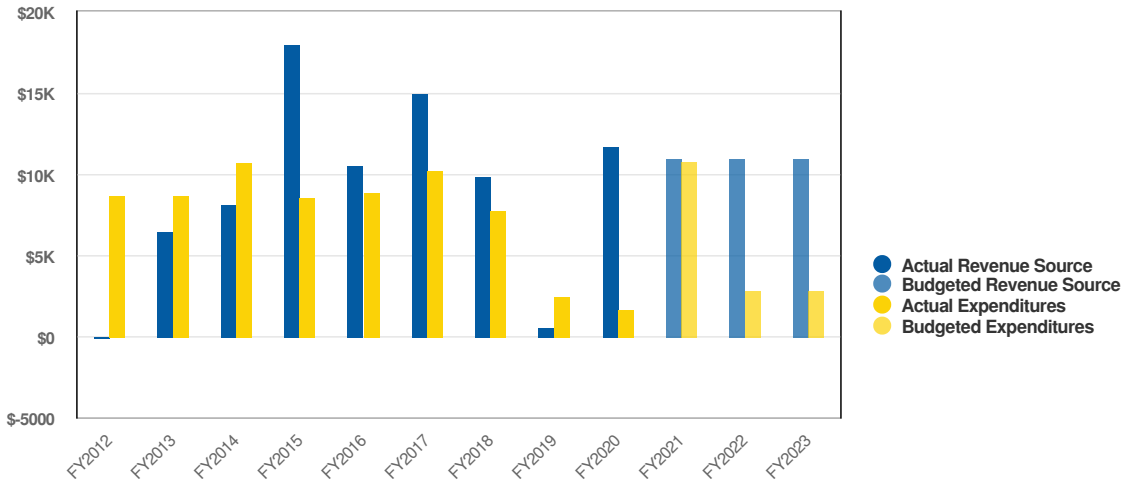


Local Transportation Transit Fund

This activity accounts for transit funds allocated to the City through the San Luis Obispo Council of Governments (SLOCOG). Funds are allocated, in part, on a formula basis and may be used only for local and regional public transit expenses as determined through the transit needs assessment process. The Ride-On program provides a subsidized shuttle service to qualifying seniors and disabled persons. The City's share of funds for the South County Area Transit (SCAT) system serving the Five Cities area and for San Luis Obispo Regional Transit Authority (SLORTA) regional transit operations is allocated directly to SCAT and SLORTA without passing through the City's funds. Only the Ride-On expenses are budgeted in this fund.

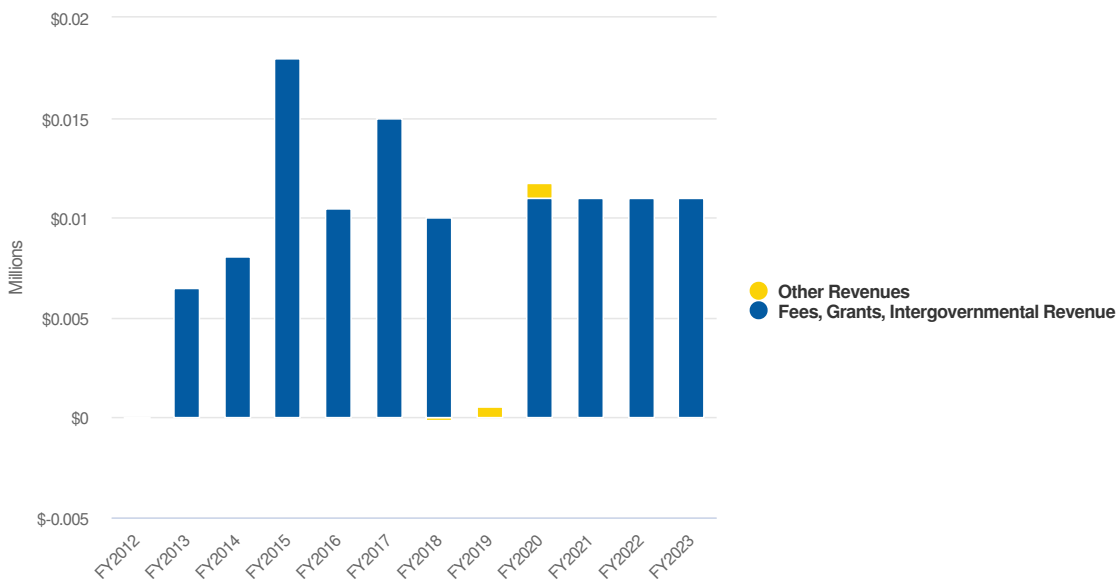
Summary

The City of Pismo Beach is projecting $11K of revenue in FY2022, which represents a 0% increase over the prior year. Budgeted expenditures are projected to decrease by 73.6% or $7.96K to $2.86K in FY2022.



Revenues by Source

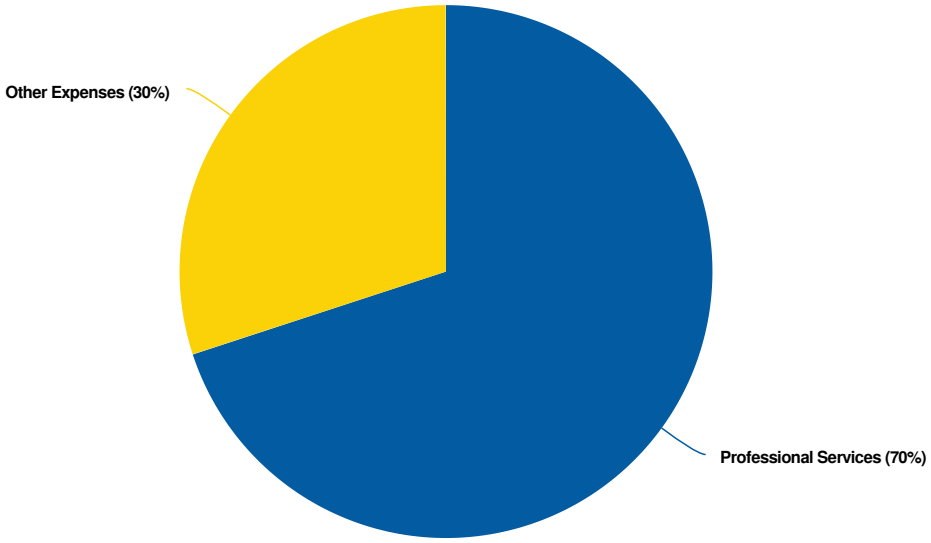
Budgeted and Historical 2022 Revenues by Source



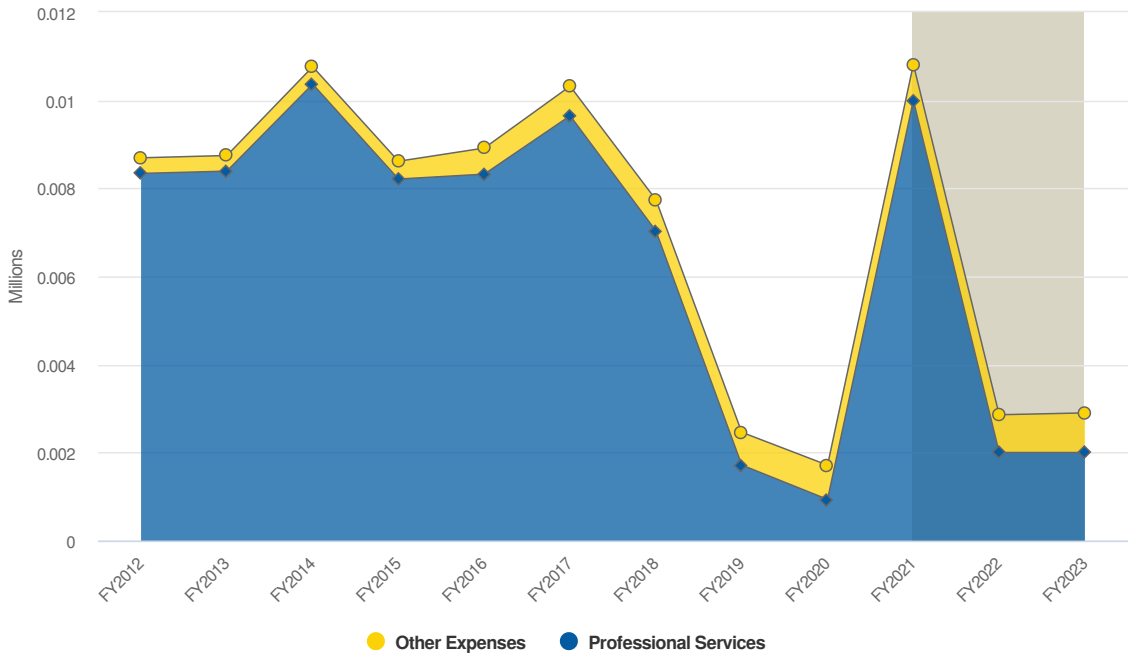
Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Revenue Source									
Other Revenues	-$83	$548	$743	$0	$0	$0	0%	0%	0%
Fees, Grants, Intergovernmental Revenue	$10,000	$0	$11,000	$11,000	$11,000	$11,000	0%	0%	0%
Total Revenue Source:	**$9,917**	**$548**	**$11,743**	**$11,000**	**$11,000**	**$11,000**	**0%**	**0%**	**0%**

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



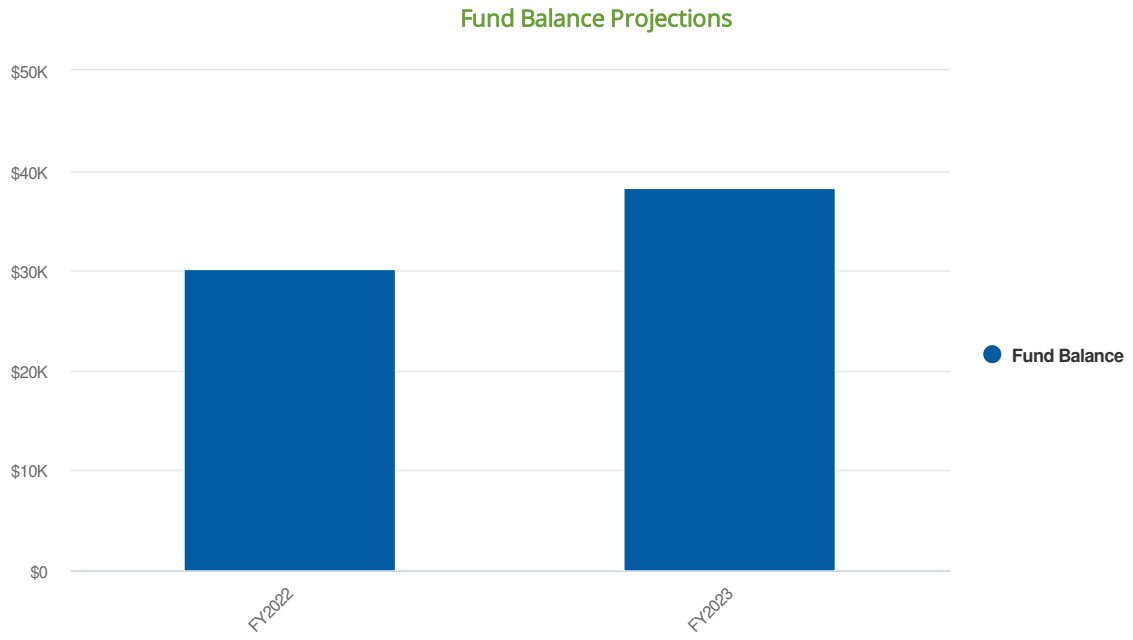
Budgeted and Historical Expenditures by Expense Type



Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Expense Objects									
Professional Services	$7,033	$1,716	$935	$10,000	$2,000	$2,000	-80%	0%	0%
Other Expenses	$708	$744	$778	$817	$858	$900	5%	-4.7%	4.9%
Total Expense Objects:	**$7,741**	**$2,460**	**$1,713**	**$10,817**	**$2,858**	**$2,900**	**-73.6%**	**-1.4%**	**1.5%**

Fund Balance

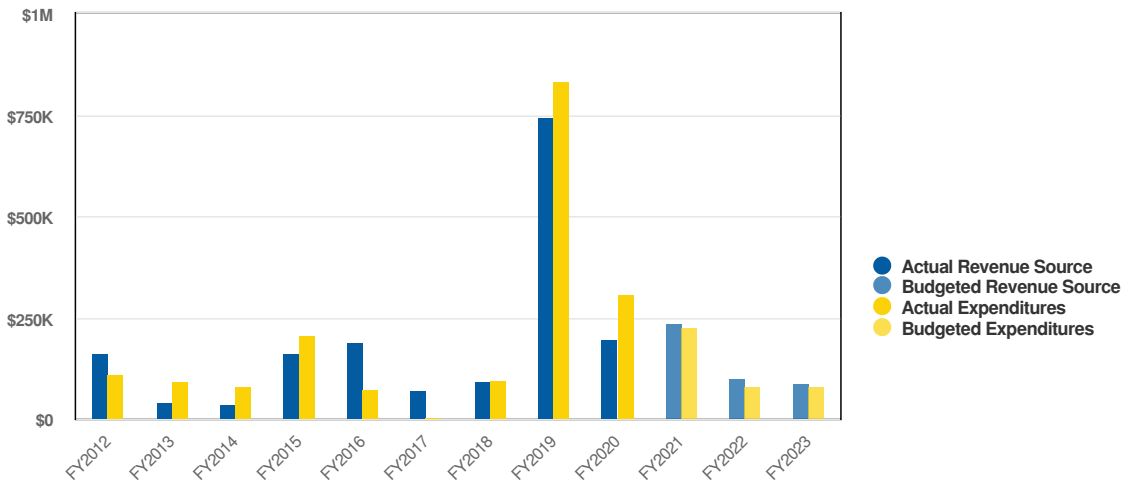


Pier Enterprise Fund

The Pier Maintenance activity accounts for expenditures for repair and maintenance of the Pier, Promenade, and nearby facilities. This is established as an enterprise fund because income derived from the City's leases of two vending Airstreams on the Pier must be spent solely for maintenance and improvement of such properties. Currently, the City receives lease revenue from the Bait Shack and from Sunsets on the Pier. These revenues support annual maintenance expenses and the General Fund also provides annual transfers to the Pier Enterprise Fund for these expenses. Note that FY 2019 revenues and expenditures include a transfer in from the General Fund to support the expenditure for the disposal and loss of the City's Pier. The Pier was rehabilitated in FY 2019 using bond proceeds.

Summary

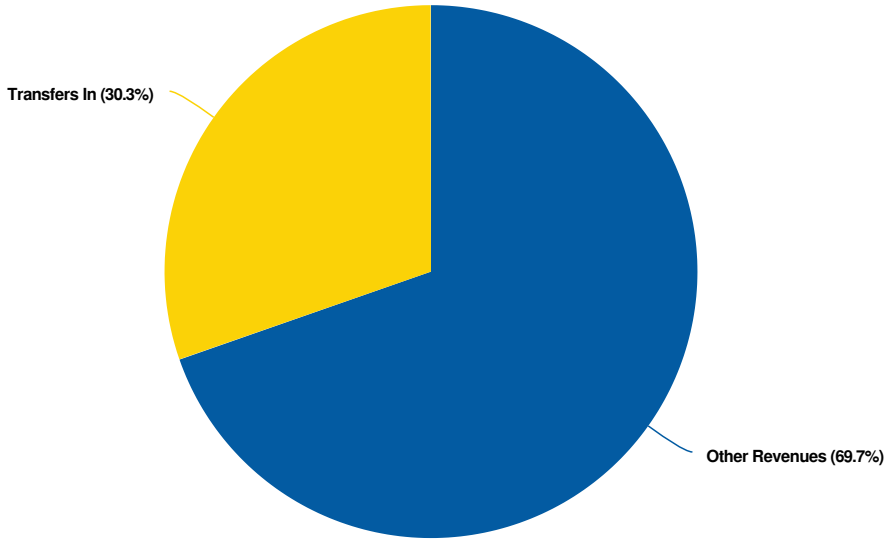
The City of Pismo Beach is projecting $98.87K of revenue in FY2022, which represents a 58.3% decrease over the prior year. Budgeted expenditures are projected to decrease by 63.8% or $145.11K to $82.27K in FY2022.



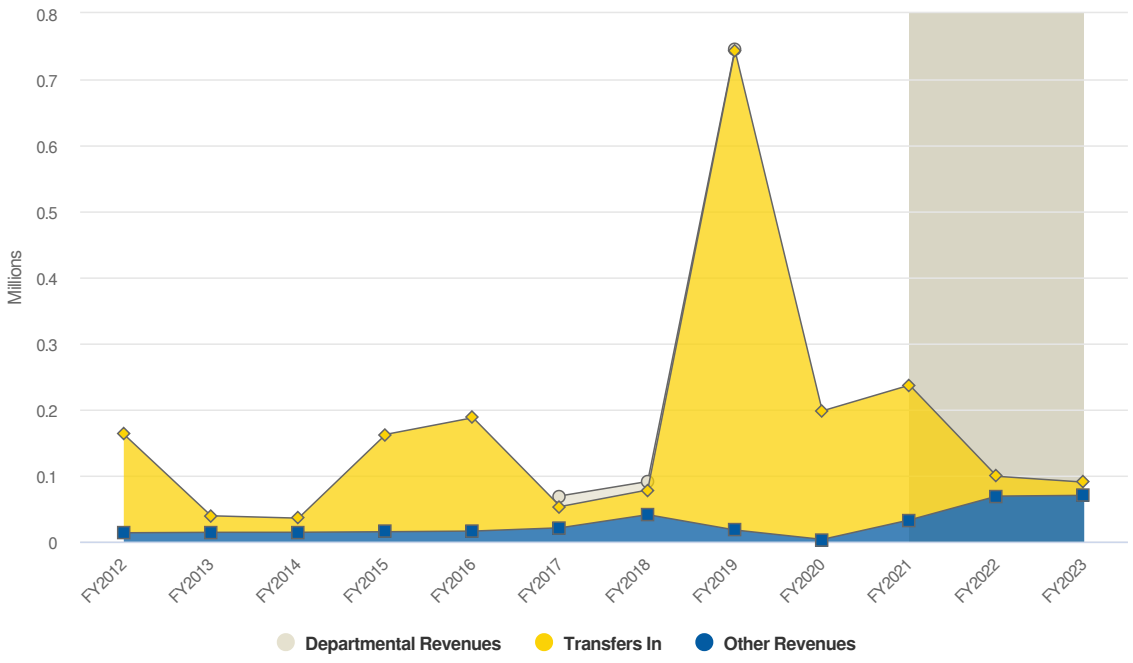
Note that FY 2019 revenues and expenditures include a transfer in from the General Fund to support the expenditure for the disposal and loss of the City's Pier. The Pier was rehabilitated in FY 2019 using bond proceeds.

Revenues by Source

Projected 2022 Revenues by Source



Budgeted and Historical 2022 Revenues by Source

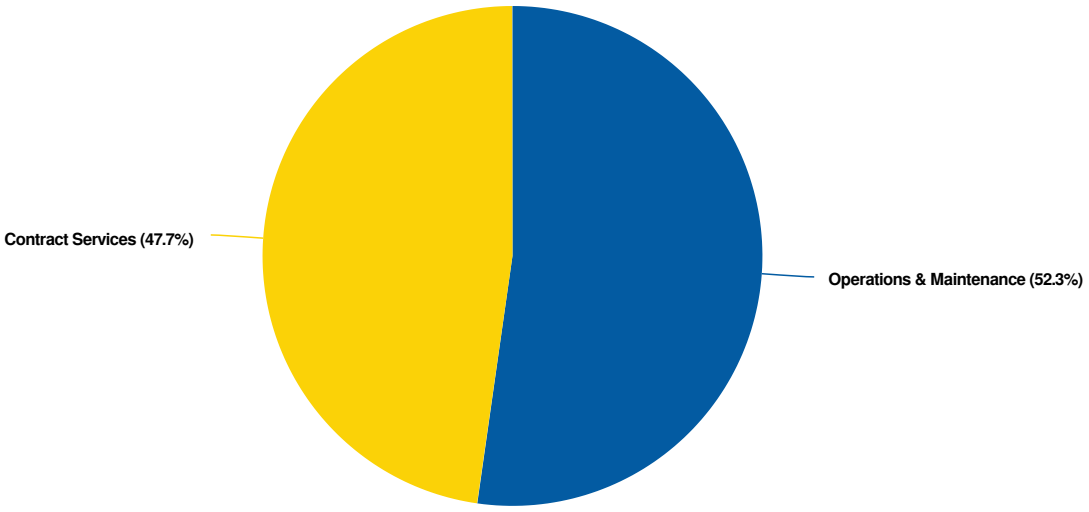


Grey background indicates budgeted figures.

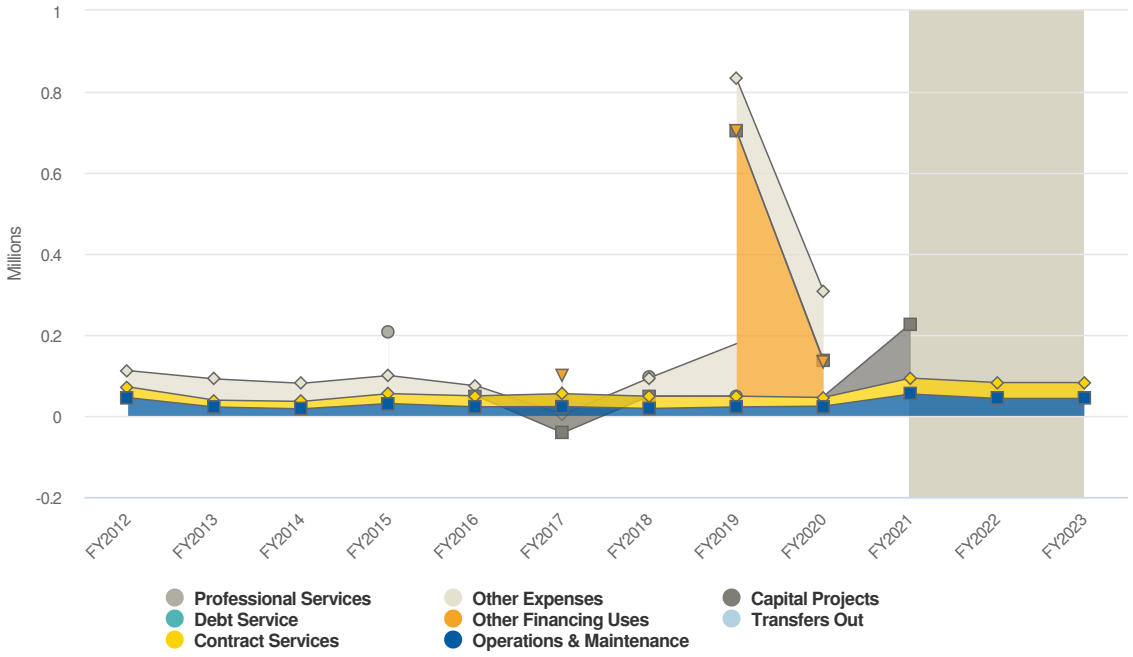
Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Revenue Source									
Other Revenues	$40,790	$17,555	$3,300	$32,811	$68,872	$70,008	109.9%	-1.6%	1.6%
Departmental Revenues	$12,888	$2,018	$0	$0	$0	$0	0%	0%	0%
Transfers In	$37,345	$726,277	$194,562	$204,091	$30,000	$20,000	-85.3%	50%	-33.3%
Total Revenue Source:	**$91,022**	**$745,851**	**$197,862**	**$236,902**	**$98,872**	**$90,008**	**-58.3%**	**9.8%**	**-9%**

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



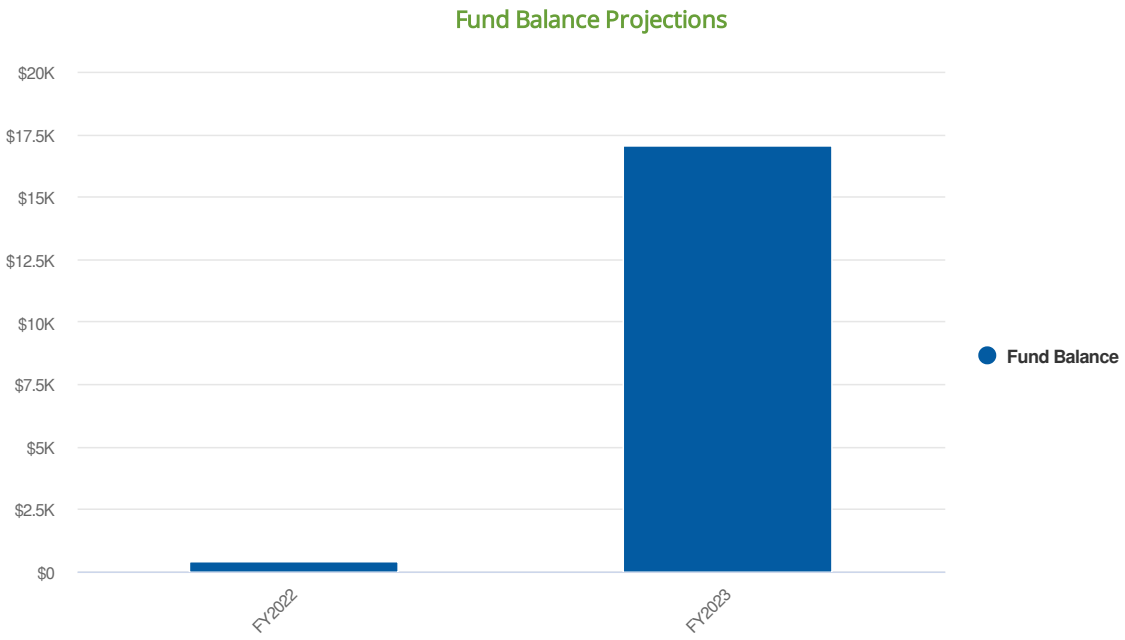
Budgeted and Historical Expenditures by Expense Type



Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Expense Objects									
Professional Services	$750	$0	$0	$0	$0	$0	0%	0%	0%
Contract Services	$30,191	$26,544	$21,591	$39,294	$39,272	$39,272	-0.1%	0%	0%
Operations & Maintenance	$18,292	$22,107	$23,994	$54,000	$43,000	$43,000	-20.4%	0%	0%
Other Expenses	$45,038	$129,658	$171,073	$0	$0	$0	0%	0%	0%
Capital Projects	$564	$88	$2,939	$134,091	$0	$0	-100%	0%	0%
Other Financing Uses	$0	$652,789	$88,060	$0	$0	$0	0%	0%	0%
Transfers Out	$0	$529	$0	$0	$0	$0	0%	0%	0%
Total Expense Objects:	**$94,835**	**$831,715**	**$307,657**	**$227,385**	**$82,272**	**$82,272**	**-63.8%**	**0%**	**0%**

Fund Balance

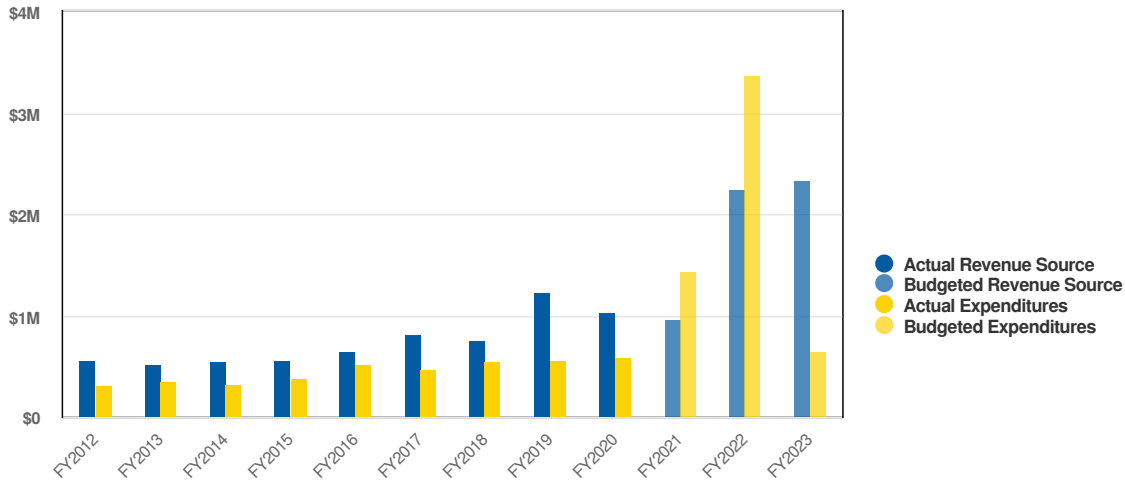


Parking Enterprise Fund

The Parking Enterprise Fund reflects revenues from parking kiosks and meters located in the downtown core area and from parking citations. Expenditures in the Parking Enterprise Fund are primarily personnel costs and the cost of maintaining the parking kiosks and meters. It is anticipated that the accumulated fund balance will be used to enhance parking, including acquiring and paving future parking lots, as part of the City's focus on and investment on traffic, circulation, and parking.The City continues to grow its parking revenues with demand-driven hourly rates designed to ensure 80% to 85% occupancy of parking lots and meter spaces.

Summary

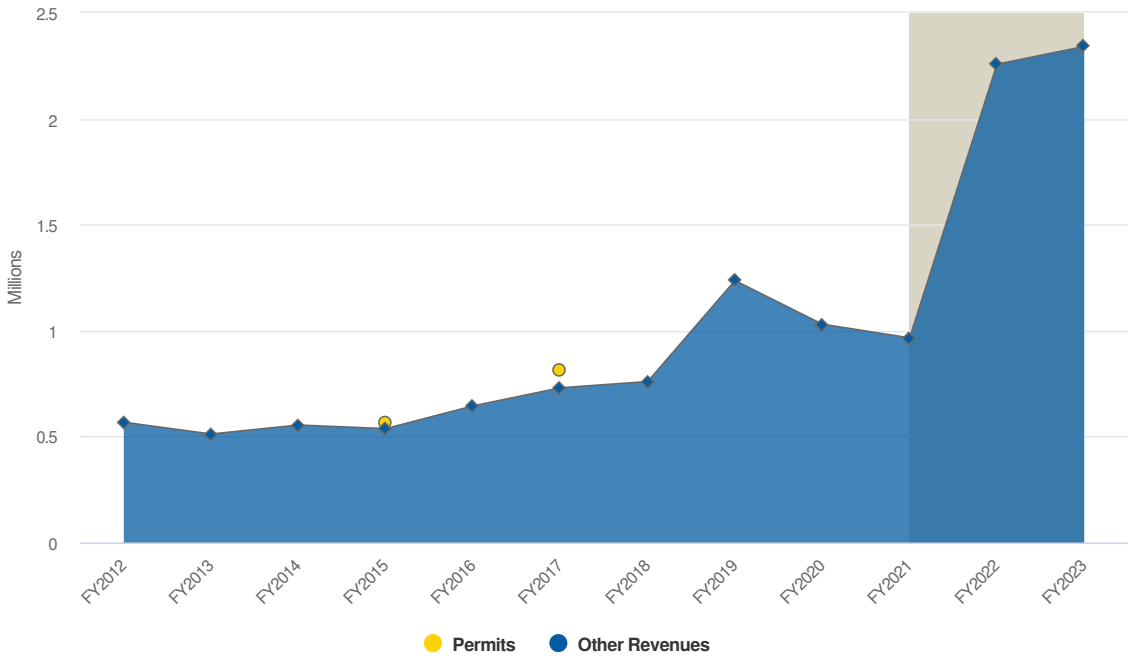
The City of Pismo Beach is projecting $2.26M of revenue in FY2022, which represents a 133.6% increase over the prior year. Budgeted expenditures are projected to increase by 136.2% or $1.95M to $3.38M in FY2022.



With the City's goal to improve traffic, circulation, and parking, the FY 2022 expenditures include a one-time expense of$2.68 million for acquiring land and paving future potential parking lots to add to the City's parking inventory.

Revenues by Source

Budgeted and Historical 2022 Revenues by Source

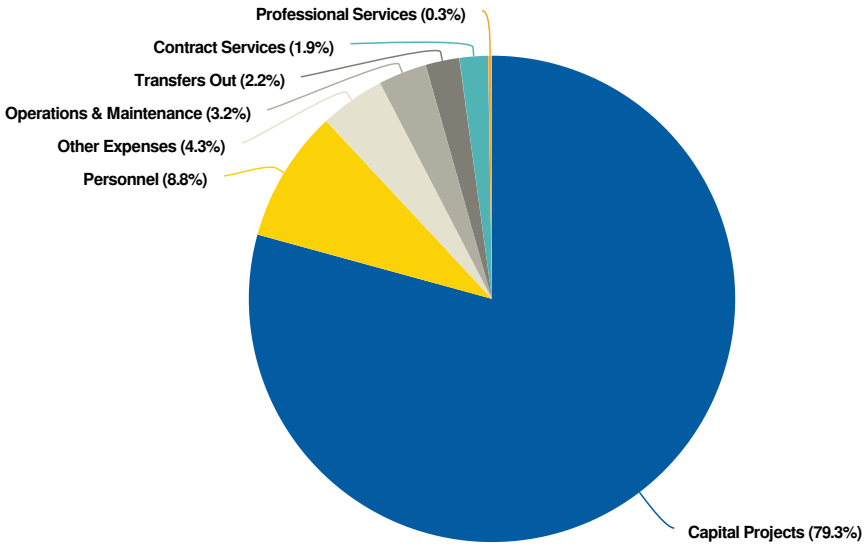


Grey background indicates budgeted figures.

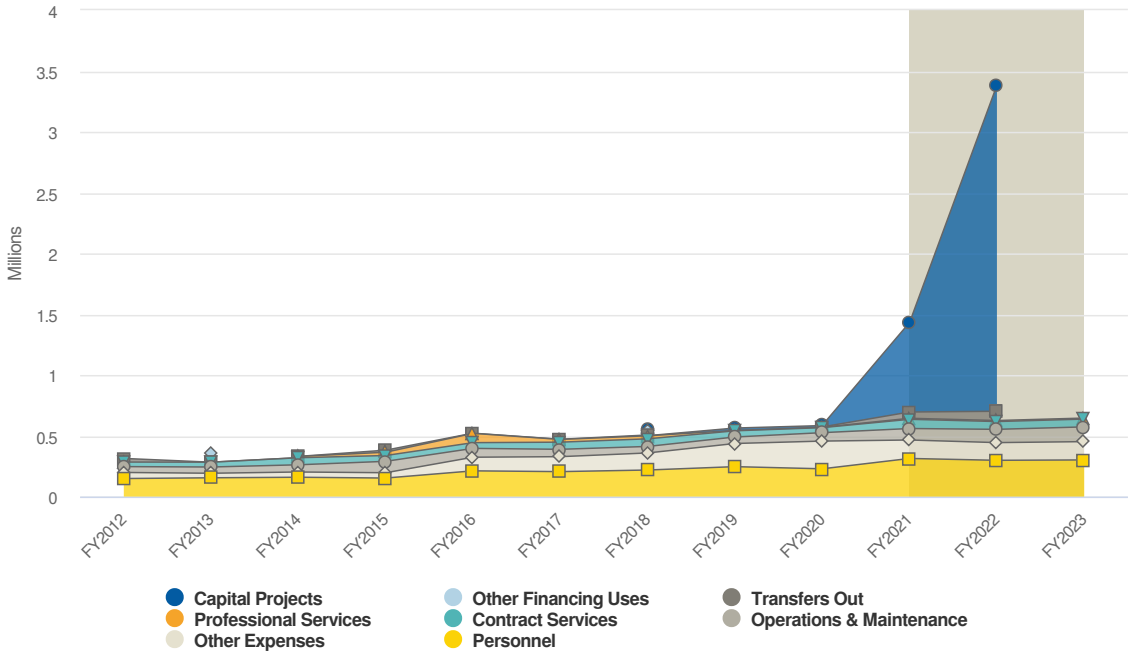
Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Revenue Source									
Other Revenues	$759,758	$1,236,403	$1,030,445	$966,000	$2,257,045	$2,340,743	133.6%	-3.6%	3.7%
Total Revenue Source:	**$759,758**	**$1,236,403**	**$1,030,445**	**$966,000**	**$2,257,045**	**$2,340,743**	**133.6%**	**-3.6%**	**3.7%**

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



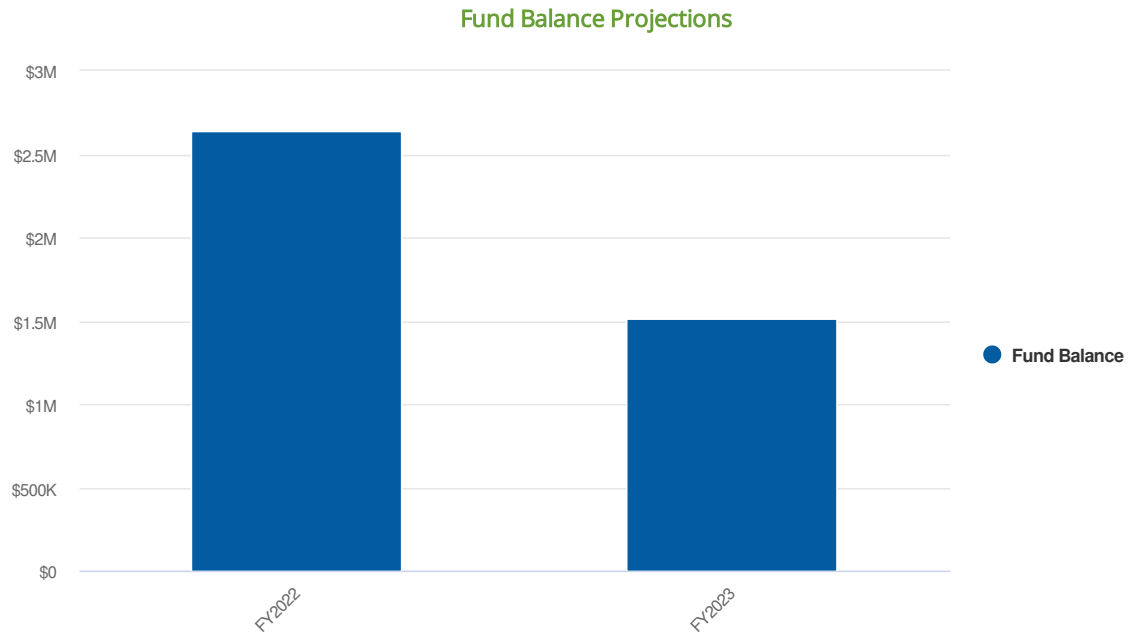
Budgeted and Historical Expenditures by Expense Type



Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Expense Objects									
Personnel	$218,300	$246,069	$228,309	$313,406	$298,163	$301,301	-4.9%	-1%	1.1%
Professional Services	$24,932	$3,159	$3,095	$8,500	$8,500	$8,500	0%	0%	0%
Contract Services	$62,670	$50,784	$41,394	$75,683	$64,083	$64,083	-15.3%	0%	0%
Operations & Maintenance	$53,640	$53,550	$69,293	$94,459	$109,198	$121,229	15.6%	-9.9%	11%
Other Expenses	$140,253	$190,330	$227,850	$151,756	$145,474	$150,480	-4.1%	-3.3%	3.4%
Capital Projects	$865	$19,660	$13,668	$737,051	$2,681,681	$0	263.8%	N/A	-100%
Other Financing Uses	$42,475	$0	$0	$0	$0	$0	0%	0%	0%
Transfers Out	$6,534	$0	$2,926	$51,631	$76,031	$0	47.3%	N/A	-100%
Total Expense Objects:	**$549,671**	**$563,551**	**$586,535**	**$1,432,485**	**$3,383,130**	**$645,593**	**136.2%**	**424%**	**-80.9%**

Fund Balance

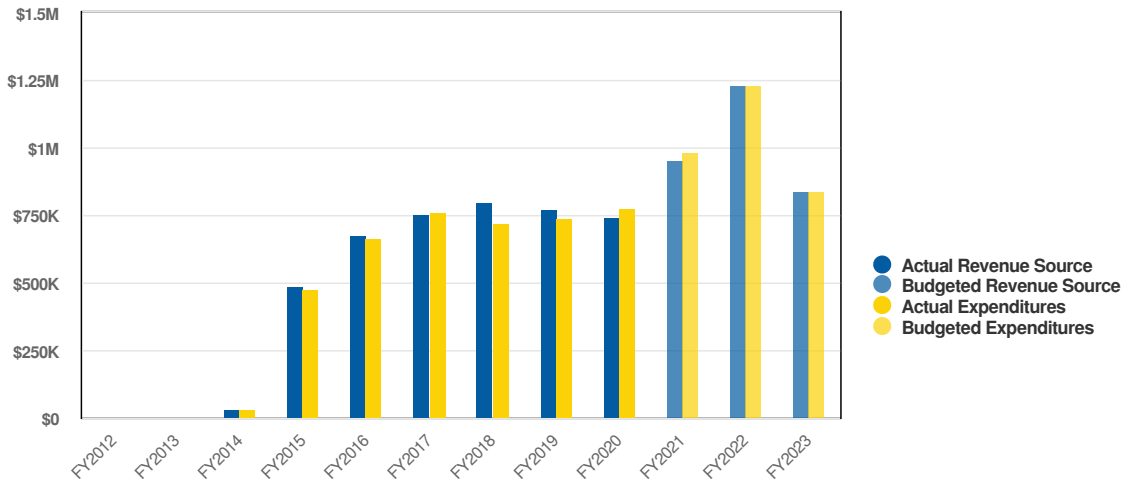


Technology Service Fund

The Technology Service Fund is an internal service fund. This division is part of the Administrative Services Department and is responsible for Information Technology implementation and management. Responsibilities include information security, monitoring contracted information technology (IT) services, overseeing IT infrastructure (data, telecommunications, radio, SCADA), managing technology projects and supporting all technology initiatives.

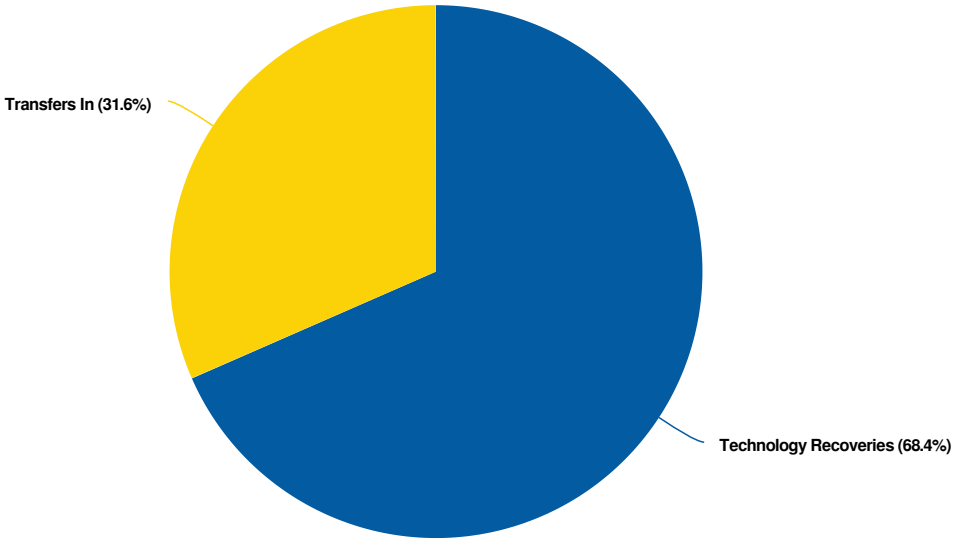
Summary

The City of Pismo Beach is projecting $1.24M of revenue in FY2022, which represents a 29.3% increase over the prior year. Budgeted expenditures are projected to increase by 25.9% or $254.39K to $1.24M in FY2022.

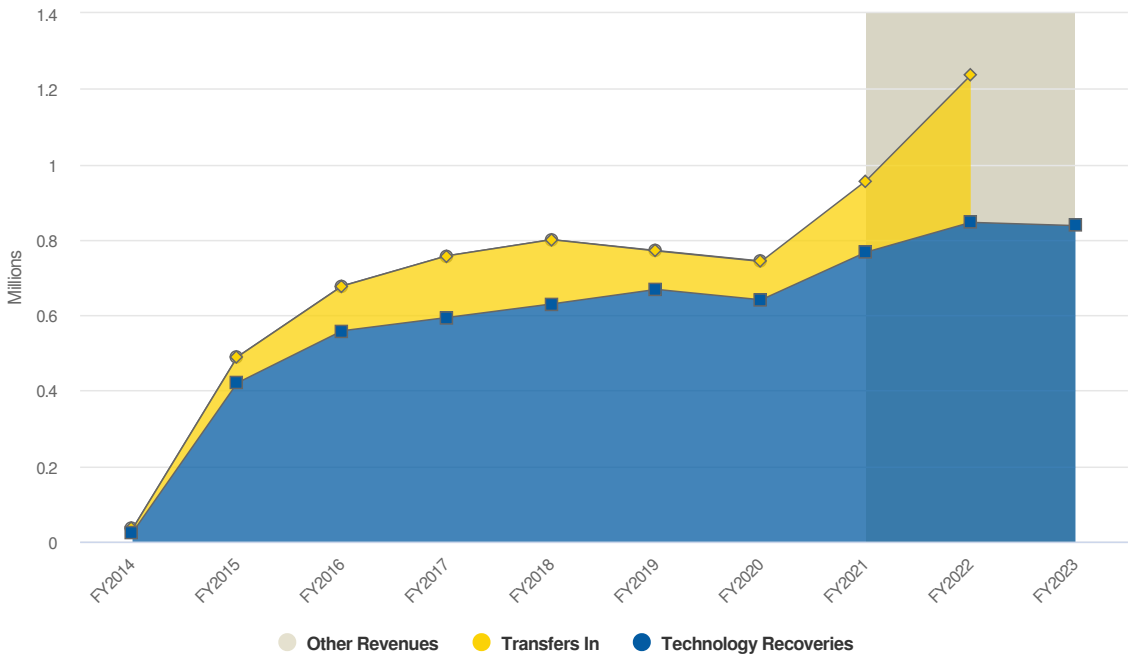


Revenues by Source

Projected 2022 Revenues by Source



Budgeted and Historical 2022 Revenues by Source

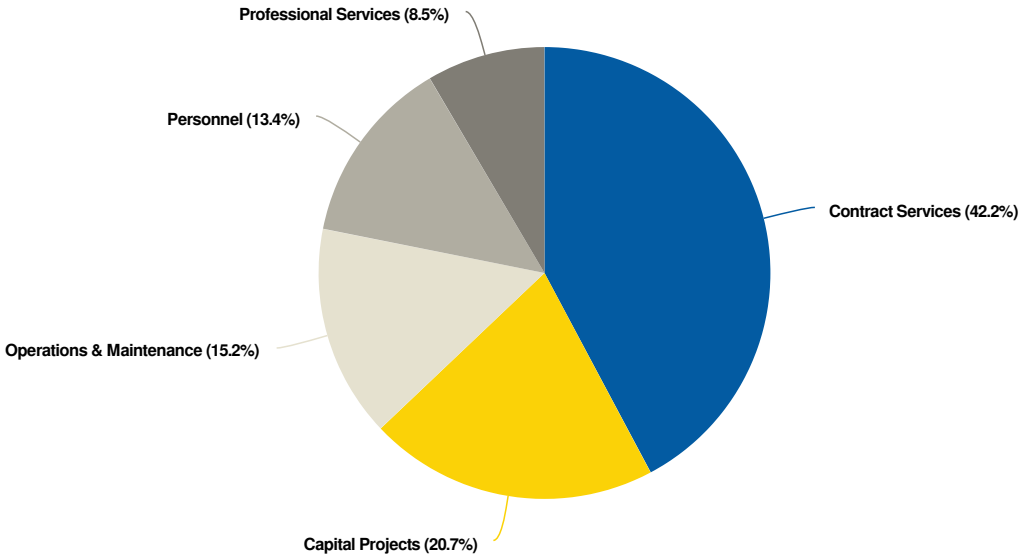


Grey background indicates budgeted figures.

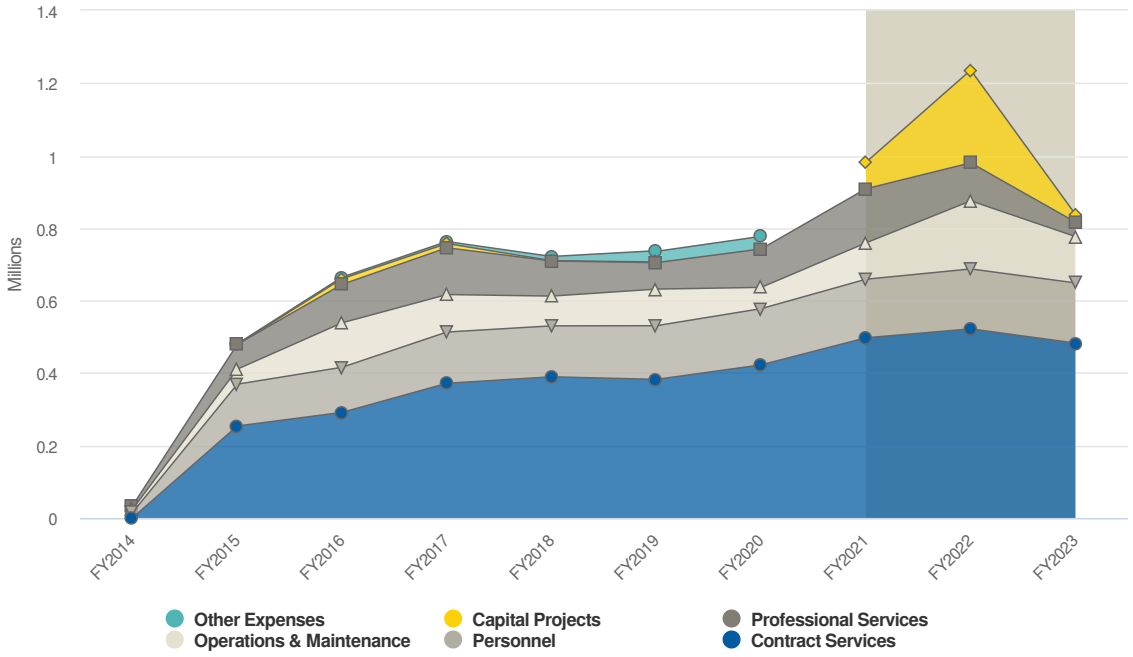
Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Revenue Source									
Other Revenues	-$80	$992	$1,061	$0	$0	$0	0%	0%	0%
Technology Recoveries	$629,629	$668,240	$640,684	$766,812	$845,834	$837,236	10.3%	1%	-1%
Transfers In	$170,453	$101,899	$101,574	$188,975	$390,000	$0	106.4%	N/A	-100%
Total Revenue Source:	**$800,002**	**$771,131**	**$743,320**	**$955,787**	**$1,235,834**	**$837,236**	**29.3%**	**47.6%**	**-32.3%**

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Grey background indicates budgeted figures.

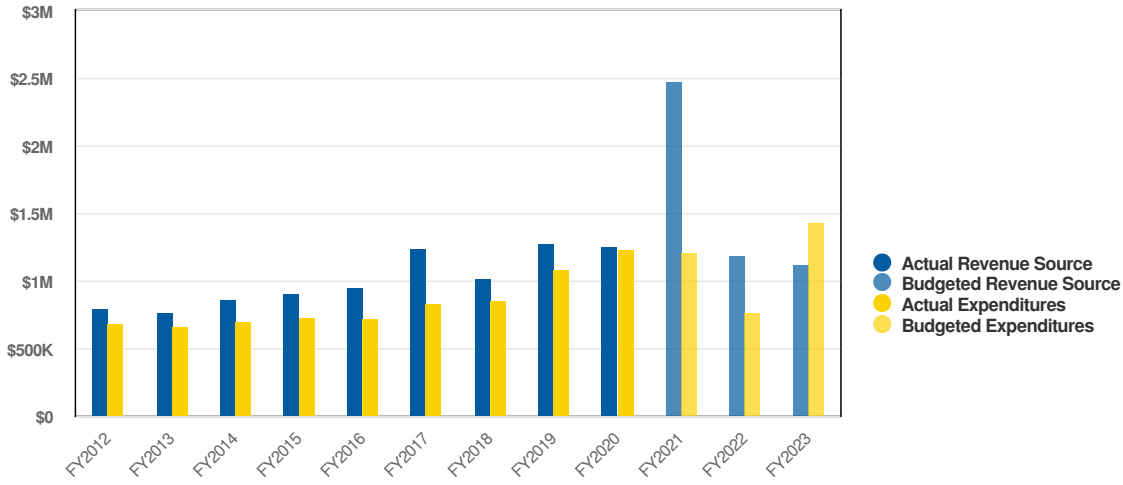
Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Expense Objects									
Personnel	$140,511	$148,090	$155,200	$161,606	$165,354	$166,011	2.3%	-0.4%	0.4%
Professional Services	$96,950	$72,968	$106,066	$149,378	$104,800	$39,800	-29.8%	163.3%	-62%
Contract Services	$389,462	$382,358	$422,329	$497,038	$521,720	$482,465	5%	8.1%	-7.5%
Operations & Maintenance	$82,175	$100,983	$58,665	$100,327	$187,960	$127,960	87.3%	46.9%	-31.9%
Other Expenses	$11,622	$31,169	$34,698	$0	$0	$0	0%	0%	0%
Capital Projects	$720	$1,856	$0	$73,096	$256,000	$21,000	250.2%	1,119%	-91.8%
Total Expense Objects:	**$721,441**	**$737,424**	**$776,957**	**$981,445**	**$1,235,834**	**$837,236**	**25.9%**	**47.6%**	**-32.3%**

Motor Vehicle Fund

The Motor Vehicle Operations & Replacement Fund is an internal service fund. This division is responsible for assuring that City vehicles and equipment are maintained in a safe and reliable condition. Responsibilities include inspecting, servicing, and maintaining vehicles, heavy equipment, and generators, while obtaining the highest rating on all state inspections. Service records are established and maintained for each vehicle, piece of heavy equipment, trailer, and generator that is owned by the City of Pismo Beach.

Summary

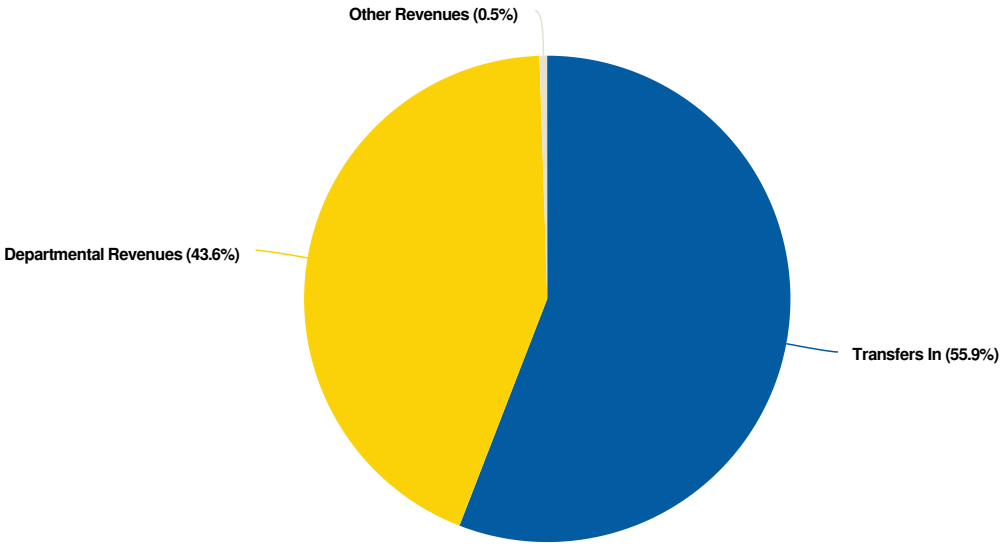
The City of Pismo Beach is projecting $1.18M of revenue in FY2022, which represents a 52.2% decrease over the prior year. Budgeted expenditures are projected to decrease by 36.6% or $444.32K to $768.11K in FY2022.



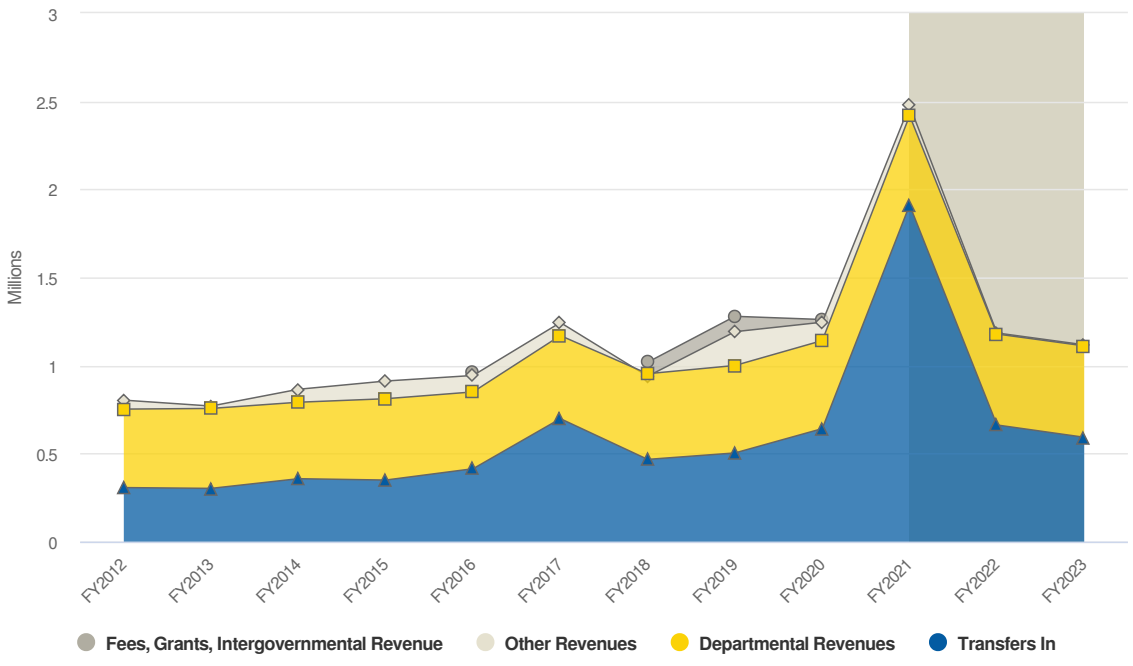
FY 2021 revenues show a transfer in from the LBID Fund to pay down an interfund loan from the Motor Vehicle Replacement Fund to the LBID Fund. This interfund loan was established to pre-pay for the Pier Plaza construction until the LBID 1% assessment for improvements generated enough funds to pay back the loan. The interfund loan is anticipated to be paid back in full by FY 2023.

Revenues by Source

Projected 2022 Revenues by Source



Budgeted and Historical 2022 Revenues by Source

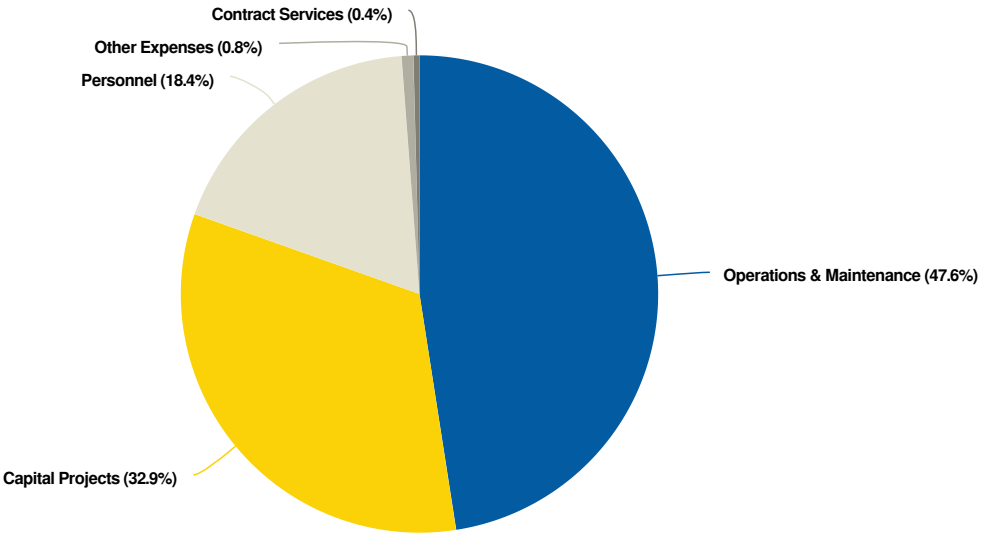


Grey background indicates budgeted figures.

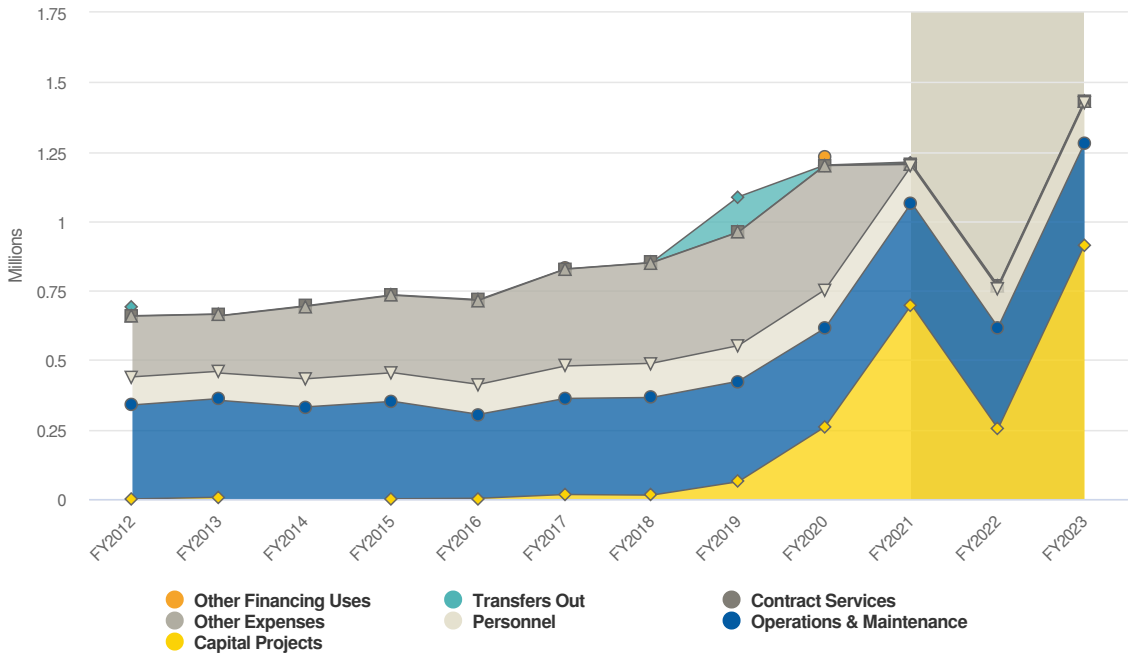
Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Revenue Source									
Other Revenues	-$14,537	$191,798	$104,065	$57,000	$5,950	$5,950	-89.6%	0%	0%
Fees, Grants, Intergovernmental Revenue	$79,774	$87,350	$15,394	$0	$0	$0	0%	0%	0%
Departmental Revenues	$486,547	$496,581	$499,998	$507,926	$516,497	$518,976	1.7%	-0.5%	0.5%
Transfers In	$466,694	$503,360	$641,482	$1,910,983	$662,158	$592,321	-65.3%	11.8%	-10.5%
Total Revenue Source:	**$1,018,478**	**$1,279,089**	**$1,260,939**	**$2,475,909**	**$1,184,605**	**$1,117,247**	**-52.2%**	**6%**	**-5.7%**

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



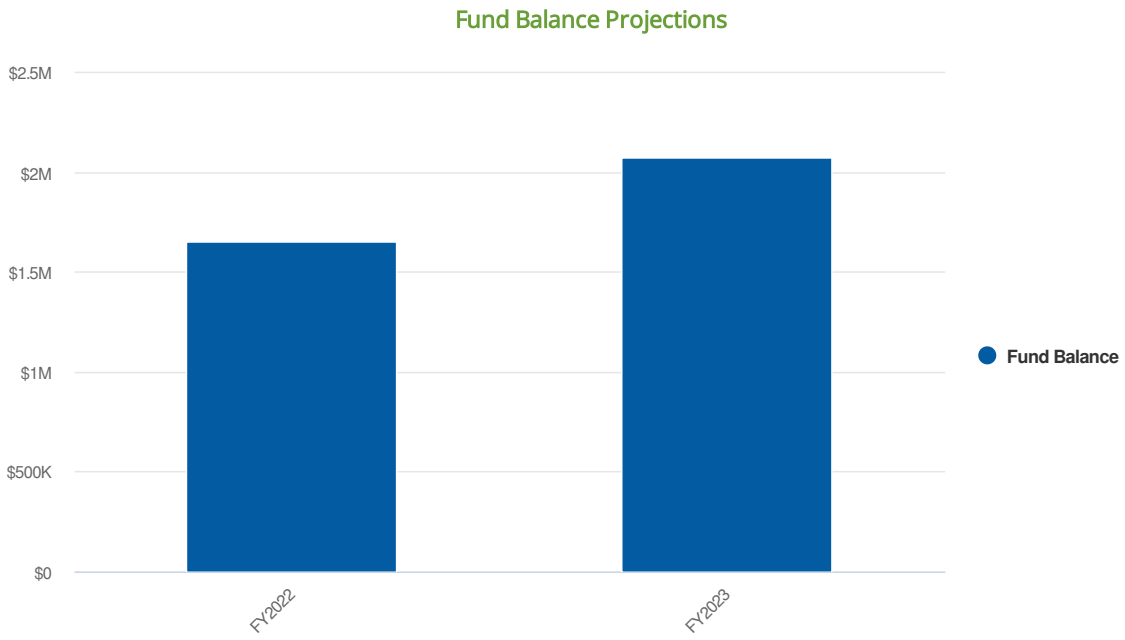
Budgeted and Historical Expenditures by Expense Type



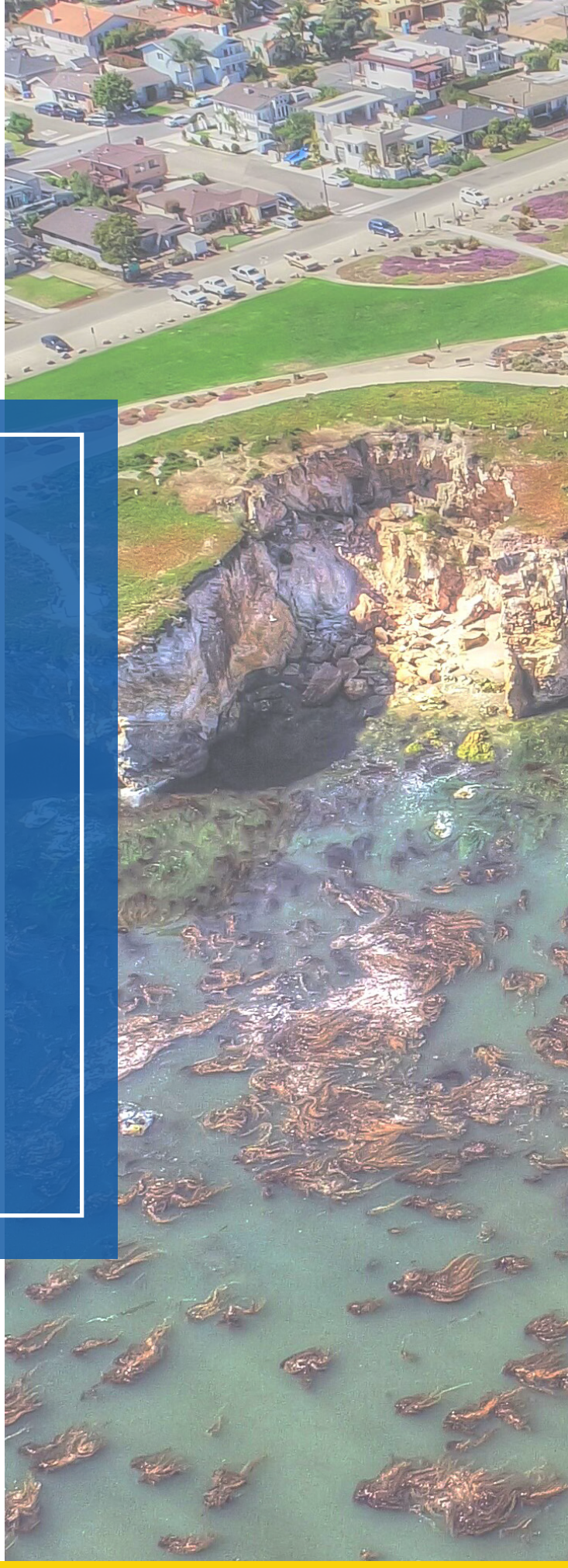
Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2023 Adopted Budget vs. FY2022 Adopted Budget (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Expense Objects									
Personnel	$123,026	$128,191	$138,363	$133,180	$140,960	$143,430	5.8%	-1.7%	1.8%
Contract Services	$832	$770	$1,111	$3,160	$3,160	$3,160	0%	0%	0%
Operations & Maintenance	$351,404	$361,446	$355,000	$366,642	$365,296	$366,358	-0.4%	-0.3%	0.3%
Other Expenses	$361,783	$407,869	$446,999	$4,818	$6,094	$6,027	26.5%	1.1%	-1.1%
Capital Projects	$13,757	$62,176	$259,337	$699,072	$252,600	$914,800	-63.9%	-72.4%	262.2%
Other Financing Uses	$0	$0	$27,843	$0	$0	$0	0%	0%	0%
Transfers Out	$768	$126,710	$622	$5,556	$0	$0	-100%	0%	0%
Total Expense Objects:	**$851,570**	**$1,087,161**	**$1,229,275**	**$1,212,429**	**$768,110**	**$1,433,775**	**-36.6%**	**-46.4%**	**86.7%**

Fund Balance



FUNDING SOURCES



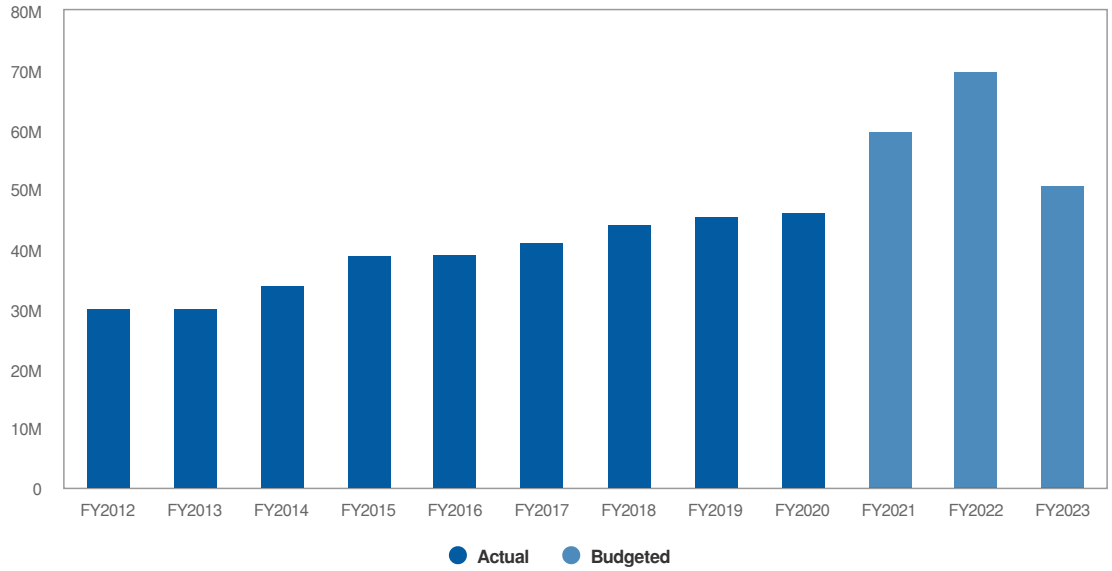
All Funds Operating Revenues Summary

The following charts and tables illustrate the categories of revenues that make up the City's FY 2023 Adopted Operating Budget, net of transfers between funds. The components of the FY 2022 and FY 2023 Adopted Operating Budgets are similar and the percentages in FY 2022 are almost identical. Operating revenues include all the ongoing revenues necessary to maintain or enhance current operations and does not include one-time revenues.

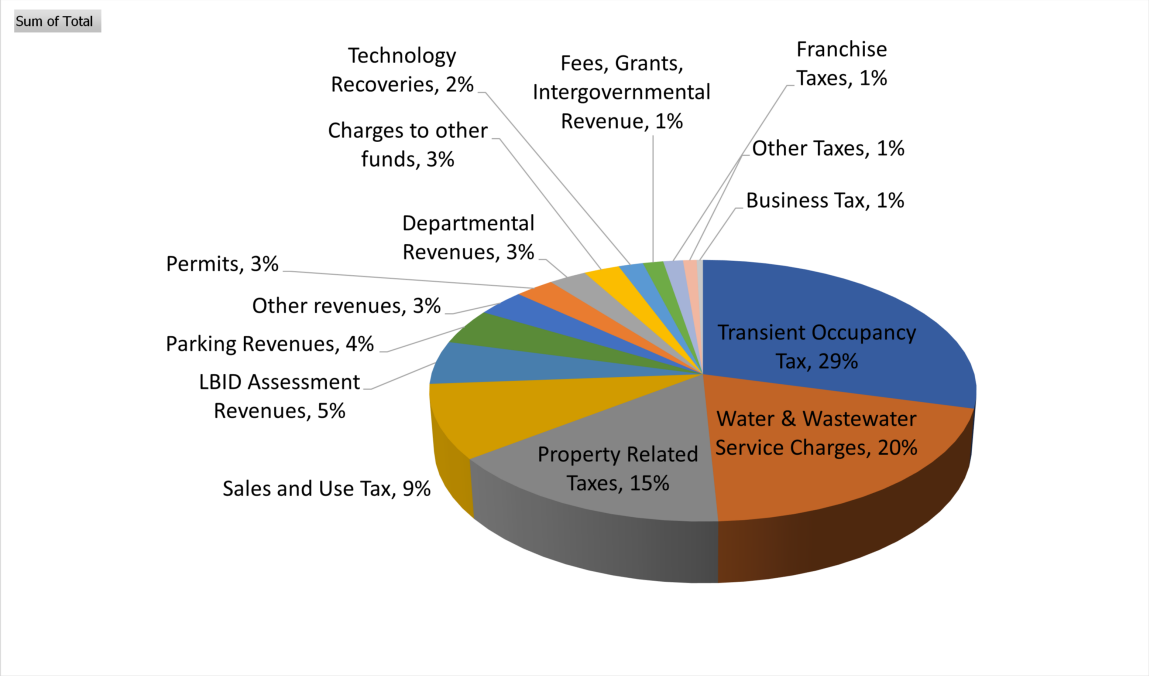
- The largest component, or 29%, of the City's revenues is TOT revenues, budgeted at $14.79 million. These revenues are equal to 11% of the gross rent charged by all lodging businesses for a person exercising occupancy for 30 consecutive calendar days or less.
- The second largest component, or 20%, of the City's revenues is water & wastewater service charges from residential and non-residential customers, which is about $10.16 million.
- Property-related taxes make up 15% of the City's revenues, or $7.78 million, and include property taxes from assessed property values, property tax in lieu of vehicle license fees, property tax that was formerly allocated to the now-dissolved Redevelopment Agency (RDA), and a special water tax on property owners.
- Sales and Use tax revenues make up 9% of the City's revenues, or $4.69 million, and include the 1.0% Bradley Burns sales tax, public safety sales tax, and the Half-Cent Transaction sales tax.
- Lodging Business Improvement District (LBID) assessment revenues make up 5% of the City's revenues, or $2.71 million, and represent 2% of the gross rent charged by all lodging businesses for a person exercising occupancy for 30 consecutive calendar days or less. Of this 2%, 1% is for promotion of the City's lodging properties and 1% is for visitor serving improvements that promote the City's lodging properties.
- Parking Revenues make up 4% of the City's revenues, or $2.22 million, and includes parking kiosk and meter revenues.
- The remaining components contribute 16%, or $8.35 million, of the City's revenues, and includes other revenues, permits, departmental revenues, charges to other funds, technology recoveries, fees, grants, and intergovernmental revenue, franchise taxes, business taxes, and other taxes.

$69,938,585 $10,132,826
(16.94% vs. prior year)

All Funds Operating Revenues Proposed and Historical Budget vs. Actual



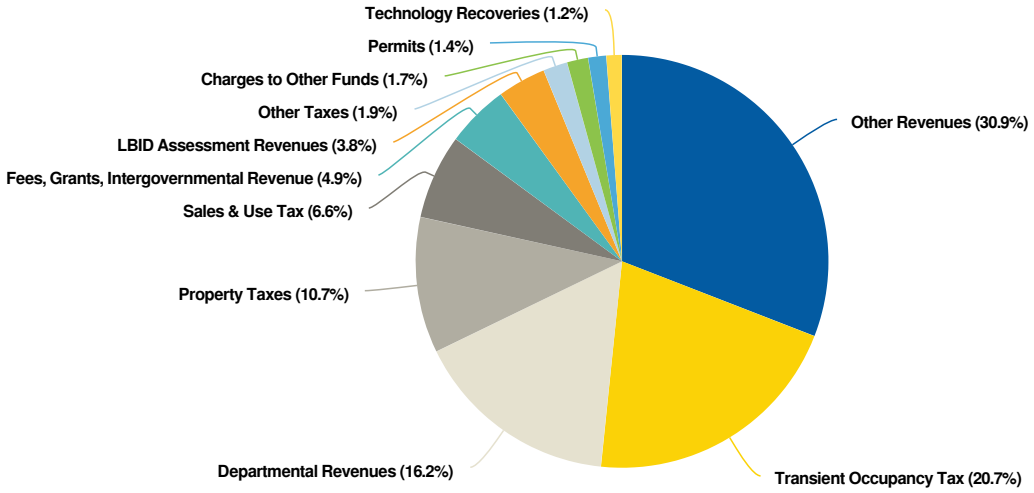
All Funds Operating Revenues by Source



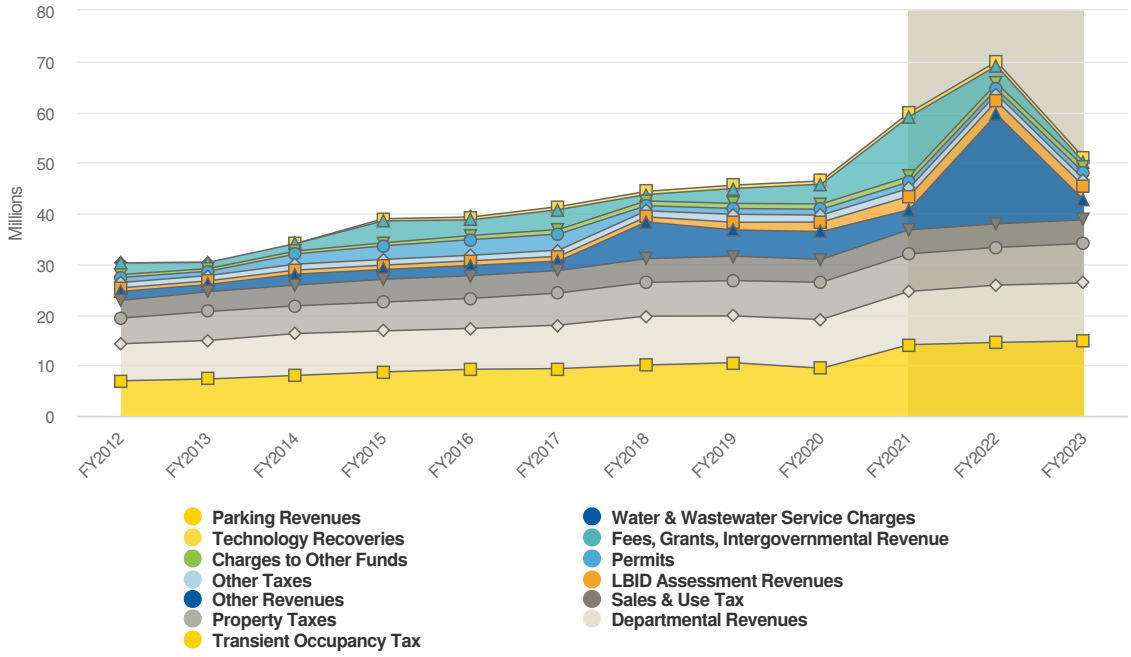
Operating and One-time Revenues by Source

The following charts and tables illustrate the categories of revenues that make up the City's FY 2022 Adopted Operating and One-time Budget, net of transfers between funds. The components of the FY 2022 and FY 2023 Adopted Budgets are similar and the percentages in FY 2022 are almost identical. Operating revenues include all the ongoing revenues necessary to maintain or enhance current operations and does not include one-time revenues.

Projected 2022 Revenues by Source



Budgeted and Historical 2022 Revenues by Source



Grey background indicates budgeted figures.

Name	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Revenue Source					
Property Taxes					
Property Related Taxes	$7,406,538	$7,450,458	$7,784,971	0.6%	4.5%
Total Property Taxes:	**$7,406,538**	**$7,450,458**	**$7,784,971**	**0.6%**	**4.5%**
Sales & Use Tax					
Sales And Use Tax	$4,744,151	$4,641,335	$4,687,748	-2.2%	1%
Total Sales & Use Tax:	**$4,744,151**	**$4,641,335**	**$4,687,748**	**-2.2%**	**1%**
Transient Occupancy Tax					
Transient Occupancy Tax	$14,048,418	$14,501,700	$14,791,000	3.2%	2%
Total Transient Occupancy Tax:	**$14,048,418**	**$14,501,700**	**$14,791,000**	**3.2%**	**2%**
Other Taxes					
Franchise Taxes	$730,283	$668,000	$668,000	-8.5%	0%
Business Tax	$230,750	$210,750	$210,750	-8.7%	0%
Other Taxes	$596,839	$458,983	$459,534	-23.1%	0.1%
Total Other Taxes:	**$1,557,872**	**$1,337,733**	**$1,338,284**	**-14.1%**	**0%**
LBID Assessment Revenues					
Lbid Assessment Revenues	$2,674,249	$2,651,800	$2,704,800	-0.8%	2%

Name	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Total LBID Assessment Revenues:	**$2,674,249**	**$2,651,800**	**$2,704,800**	**-0.8%**	**2%**
Permits					
Building Permits	$903,990	$683,645	$1,027,803	-24.4%	50.3%
Planning Fees	$271,500	$211,000	$211,000	-22.3%	0%
Engineering Permits	$80,000	$75,000	$75,000	-6.2%	0%
Spec Event Permits	$1,457	$22,600	$22,600	1,451.1%	0%
Total Permits:	**$1,256,947**	**$992,245**	**$1,336,403**	**-21.1%**	**34.7%**
Other Revenues					
Fines & Forfeitures	$151,000	$151,000	$151,000	0%	0%
Use Of Money & Property	$890,863	$752,913	$739,788	-15.5%	-1.7%
Rents & Leases	$1,237,923	$2,644,174	$2,738,052	113.6%	3.6%
Other Services	$13,700	$1,500	$9,300	-89.1%	520%
Parking Kiosk & Meter Revenues	$1,000	$1,000	$1,000	0%	0%
Other Revenues	$699,769	$969,550	$144,550	38.6%	-85.1%
Other Finan Sources	$961,113	$17,095,615	$91,538	1,678.7%	-99.5%
Total Other Revenues:	**$3,955,368**	**$21,615,752**	**$3,875,228**	**446.5%**	**-82.1%**
Charges to Other Funds					
Other Revenues	$1,102,500	$1,157,625	$1,215,506	5%	5%
Total Charges to Other Funds:	**$1,102,500**	**$1,157,625**	**$1,215,506**	**5%**	**5%**
Fees, Grants, Intergovernmental Revenue					
Intergovernmental Revenue	$180,002	$43,380	$48,380	-75.9%	11.5%
Federal Govt Grants	$7,898,708	$2,921,490	$0	-63%	-100%
State Govt Grants	$3,243,529	$150,000	$150,000	-95.4%	0%
Transportation Funds	$278,704	$241,737	$241,737	-13.3%	0%
Impact Fees	$20,000	$20,000	$20,000	0%	0%
Water Impact Fees	$150,000	$60,000	$380,000	-60%	533.3%
Total Fees, Grants, Intergovernmental Revenue:	**$11,770,943**	**$3,436,607**	**$840,117**	**-70.8%**	**-75.6%**
Departmental Revenues					
Police Dept Services	$133,200	$599,200	$610,080	349.8%	1.8%
Fire Dept Services	$10,300	$10,300	$10,300	0%	0%
Recreational Programs	$176,536	$121,500	$140,000	-31.2%	15.2%
Public Works Services	$10,201,926	$10,576,497	$10,678,976	3.7%	1%
Total Departmental Revenues:	**$10,521,962**	**$11,307,497**	**$11,439,356**	**7.5%**	**1.2%**
Technology Recoveries					
Technology Services	$766,812	$845,834	$837,236	10.3%	-1%
Total Technology Recoveries:	**$766,812**	**$845,834**	**$837,236**	**10.3%**	**-1%**

Name	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Total Revenue Source:	**$59,805,759**	**$69,938,585**	**$50,850,649**	**16.9%**	**-27.3%**

Revenue by Fund

Name	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
All Funds					
General Fund					
General Fund					
Property Taxes	$6,006,538	$6,100,458	$6,434,971	1.6%	5.5%
Sales & Use Tax	$3,184,151	$3,141,335	$3,172,748	-1.3%	1%
Transient Occupancy Tax	$14,048,418	$14,501,700	$14,791,000	3.2%	2%
Other Taxes	$1,023,296	$919,344	$919,895	-10.2%	0.1%
Permits	$1,176,947	$912,245	$1,256,403	-22.5%	37.7%
Other Revenues	$654,165	$707,997	$726,764	8.2%	2.7%
Charges to Other Funds	$1,102,500	$1,157,625	$1,215,506	5%	5%
Fees, Grants, Intergovernmental Revenue	$531,248	$71,534	$76,534	-86.5%	7%
Departmental Revenues	$320,036	$731,000	$760,380	128.4%	4%
Total General Fund:	**$28,047,299**	**$28,243,238**	**$29,354,201**	**0.7%**	**3.9%**
Half Cent Sales Tax Fund					
Sales & Use Tax	$1,560,000	$1,500,000	$1,515,000	-3.8%	1%
Other Revenues	$15,000	$51,600	$51,600	244%	0%
Total Half Cent Sales Tax Fund:	**$1,575,000**	**$1,551,600**	**$1,566,600**	**-1.5%**	**1%**
Total General Fund:	**$29,622,299**	**$29,794,838**	**$30,920,801**	**0.6%**	**3.8%**
Special Revenue Funds					
Gas Tax Fund					
Other Taxes	$365,793	$381,389	$381,389	4.3%	0%
Other Revenues	$4,000	$1,500	$1,500	-62.5%	0%
Total Gas Tax Fund:	**$369,793**	**$382,889**	**$382,889**	**3.5%**	**0%**
Local Transportation					
Other Revenues	$4,500	$3,900	$3,900	-13.3%	0%
Fees, Grants, Intergovernmental Revenue	$168,386	$202,583	$202,583	20.3%	0%
Total Local Transportation:	**$172,886**	**$206,483**	**$206,483**	**19.4%**	**0%**
Public Education Government Fund					
Other Taxes	$35,000	$37,000	$37,000	5.7%	0%

Name	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Total Public Education Government Fund:	**$35,000**	**$37,000**	**$37,000**	**5.7%**	**0%**
Grants - Non-Capital					
Other Revenues	$2,000	$3,300	$3,300	65%	0%
Fees, Grants, Intergovernmental Revenue	$130,000	$150,000	$150,000	15.4%	0%
Total Grants - Non-Capital:	**$132,000**	**$153,300**	**$153,300**	**16.1%**	**0%**
Housing In Lieu Fee					
Permits	$50,000	$50,000	$50,000	0%	0%
Other Revenues	$49,000	$30,000	$30,000	-38.8%	0%
Total Housing In Lieu Fee:	**$99,000**	**$80,000**	**$80,000**	**-19.2%**	**0%**
Lodging Business Improvement					
LBID Assessment Revenues	$2,674,249	$2,651,800	$2,704,800	-0.8%	2%
Other Revenues	$5,000	$3,100	$3,100	-38%	0%
Total Lodging Business Improvement:	**$2,679,249**	**$2,654,900**	**$2,707,900**	**-0.9%**	**2%**
Chapman Estate Fund					
Other Revenues	$17,000	$375,000	$50,000	2,105.9%	-86.7%
Total Chapman Estate Fund:	**$17,000**	**$375,000**	**$50,000**	**2,105.9%**	**-86.7%**
Total Special Revenue Funds:	**$3,504,928**	**$3,889,572**	**$3,617,572**	**11%**	**-7%**
Capital Projects Funds					
Capital Projects					
Other Taxes	$133,783	$0	$0	-100%	0%
Other Revenues	$642,896	$17,500,000	$0	2,622.1%	-100%
Fees, Grants, Intergovernmental Revenue	$8,161,317	$2,921,490	$0	-64.2%	-100%
Total Capital Projects:	**$8,937,996**	**$20,421,490**	**$0**	**128.5%**	**-100%**
Park Development Fund					
Permits	$10,000	$10,000	$10,000	0%	0%
Other Revenues	$18,000	$3,200	$3,200	-82.2%	0%
Fees, Grants, Intergovernmental Revenue	$20,000	$20,000	$20,000	0%	0%
Total Park Development Fund:	**$48,000**	**$33,200**	**$33,200**	**-30.8%**	**0%**
Circulation Fees					
Other Revenues	$7,000	$6,700	$6,700	-4.3%	0%
Total Circulation Fees:	**$7,000**	**$6,700**	**$6,700**	**-4.3%**	**0%**
Impact Fees					

Name	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Other Revenues	$10,000	$16,100	$16,100	61%	0%
Total Impact Fees:	**$10,000**	**$16,100**	**$16,100**	**61%**	**0%**
DIF Sunset Palisades Stairs					
Other Revenues	$0	$1,000	$1,000	N/A	0%
Total DIF Sunset Palisades Stairs:	**$0**	**$1,000**	**$1,000**	**N/A**	**0%**
Total Capital Projects Funds:	**$9,002,996**	**$20,478,490**	**$57,000**	**127.5%**	**-99.7%**
Debt Service Funds					
Public Financing Authority Debt Service					
Other Revenues	$388,363	$390,988	$392,863	0.7%	0.5%
Total Public Financing Authority Debt Service:	**$388,363**	**$390,988**	**$392,863**	**0.7%**	**0.5%**
Total Debt Service Funds:	**$388,363**	**$390,988**	**$392,863**	**0.7%**	**0.5%**
Proprietary Funds					
Water Enterprise Fund					
Other Revenues	$101,000	$82,300	$61,300	-18.5%	-25.5%
Fees, Grants, Intergovernmental Revenue	$1,733,992	$0	$0	-100%	0%
Departmental Revenues	$4,710,000	$5,160,000	$5,260,000	9.6%	1.9%
Total Water Enterprise Fund:	**$6,544,992**	**$5,242,300**	**$5,321,300**	**-19.9%**	**1.5%**
Water Tax Lopez State					
Property Taxes	$1,400,000	$1,350,000	$1,350,000	-3.6%	0%
Other Revenues	$10,000	$0	$0	-100%	0%
Fees, Grants, Intergovernmental Revenue	$150,000	$60,000	$380,000	-60%	533.3%
Total Water Tax Lopez State:	**$1,560,000**	**$1,410,000**	**$1,730,000**	**-9.6%**	**22.7%**
Water Construction Fund					
Other Revenues	$17,000	$14,000	$14,000	-17.6%	0%
Total Water Construction Fund:	**$17,000**	**$14,000**	**$14,000**	**-17.6%**	**0%**
Water Expansion Fund					
Other Revenues	$8,000	$5,600	$5,600	-30%	0%
Total Water Expansion Fund:	**$8,000**	**$5,600**	**$5,600**	**-30%**	**0%**
Wastewater Treatment Fund					
Other Revenues	$45,000	$73,800	$73,800	64%	0%
Departmental Revenues	$4,984,000	$4,900,000	$4,900,000	-1.7%	0%

Name	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Total Wastewater Treatment Fund:	**$5,029,000**	**$4,973,800**	**$4,973,800**	**-1.1%**	**0%**
Wastewater Capital Projects					
Other Revenues	$885,633	$5,000	$5,000	-99.4%	0%
Fees, Grants, Intergovernmental Revenue	$865,000	$0	$0	-100%	0%
Total Wastewater Capital Projects:	**$1,750,633**	**$5,000**	**$5,000**	**-99.7%**	**0%**
Wastewater Expansion					
Permits	$20,000	$20,000	$20,000	0%	0%
Other Revenues	$16,000	$8,800	$8,800	-45%	0%
Total Wastewater Expansion:	**$36,000**	**$28,800**	**$28,800**	**-20%**	**0%**
Local Transportation Transit Fund					
Fees, Grants, Intergovernmental Revenue	$11,000	$11,000	$11,000	0%	0%
Total Local Transportation Transit Fund:	**$11,000**	**$11,000**	**$11,000**	**0%**	**0%**
Pier Enterprise Fund					
Other Revenues	$32,811	$68,872	$70,008	109.9%	1.6%
Total Pier Enterprise Fund:	**$32,811**	**$68,872**	**$70,008**	**109.9%**	**1.6%**
Parking Enterprise Fund					
Other Revenues	$966,000	$2,257,045	$2,340,743	133.6%	3.7%
Total Parking Enterprise Fund:	**$966,000**	**$2,257,045**	**$2,340,743**	**133.6%**	**3.7%**
Total Proprietary Funds:	**$15,955,436**	**$14,016,417**	**$14,500,251**	**-12.2%**	**3.5%**
Internal Services Funds					
Technology Service Fund					
Technology Recoveries	$766,812	$845,834	$837,236	10.3%	-1%
Total Technology Service Fund:	**$766,812**	**$845,834**	**$837,236**	**10.3%**	**-1%**
Motor Vehicle Fund					
Other Revenues	$57,000	$5,950	$5,950	-89.6%	0%
Departmental Revenues	$507,926	$516,497	$518,976	1.7%	0.5%
Total Motor Vehicle Fund:	**$564,926**	**$522,447**	**$524,926**	**-7.5%**	**0.5%**
Total Internal Services Funds:	**$1,331,738**	**$1,368,281**	**$1,362,162**	**2.7%**	**-0.4%**
Total All Funds:	**$59,805,759**	**$69,938,585**	**$50,850,649**	**16.9%**	**-27.3%**

Largest Revenue Categories

The five largest revenue categories (TOT, Water & Wastewater Service Charges, property-related taxes, and sales & use tax revenues, and LBID Assessment revenues) make up 79% of the City's revenues. TOT revenues and the majority of property, sales & use tax revenues, and other revenues are deposited in the General Fund. LBID assessment revenues are deposited in the LBID Fund. Water & wastewater service charges are deposited in the Water and Wastewater Enterprise Funds, respectively.

Water & wastewater service charges make up 20% of all operating revenues and are used exclusively for water and wastewater operations, maintenance, and utility-related capital projects. Based on a comprehensive water and wastewater rate study performed by an outside consultant, the City Council approved revised water and wastewater rates in March 2019. Water and wastewater fees are set up to each have a flat rate service charge and a variable rate based on water consumption. The Council approved two changes to rates:

1. Changes to the water four-tier variable Single-Family Residential (SFR) rate structure so that indoor water usage, outdoor water usage, and excessive water usage correspond to their respective billing tiers. A recent appellate court decision regarding the legality of tiered water rate structures in the City of San Juan Capistrano suggests that, under Proposition 218, the rates not only need to be proportional to the cost of service, but they need to be proportional to the cost of service within rate tiers of such rate structures as well. The rates proposed in this study conform to the *San Juan Capistrano* decision's mandate.
2. Rate increases are intended to fund critical water and wastewater systems infrastructure, support the Central Coast Blue project, and support increased operating expenses. Water rates are set to increase by 11.9% in June 2019, January 2020, and on each January thereafter, with the last rate increase in January 2023. Wastewater rates are set to increase by 3.2% in June 2019, January 2020, and in each January thereafter, with the last rate increase in January 2023.

Water Service Charges Summary

Water service charges are the primary source of revenue received by the City's Water Enterprise Fund. These service charges have fixed and variable components. The fixed charge is based on meter size and is structured to recover 20% of all water costs. The variable component is based on water consumption and recovers 80% of all water costs. Other sources of revenue include account set-up fees, turn on/off fees, penalties and late fees, and interest income.

Historical actual water service charge revenues fluctuate based on customer growth and water sales volume, and includes rate increases. As such, reviewing these historical actual revenue changes alone does not project water service charge revenues for the future. Instead, water service charges are estimated through projections of customer growth and water sales volume.

Customer growth: The City has eight classifications of water customers. These include Single-Family Residential (SFR), Multi-Family Residential (MFR), Mobile Home, Commercial, Irrigation, Construction, Hydrant, and Municipal. Future customer growth in these classifications includes the assumption that there will be some customer growth in FY 2022 and FY 2023.

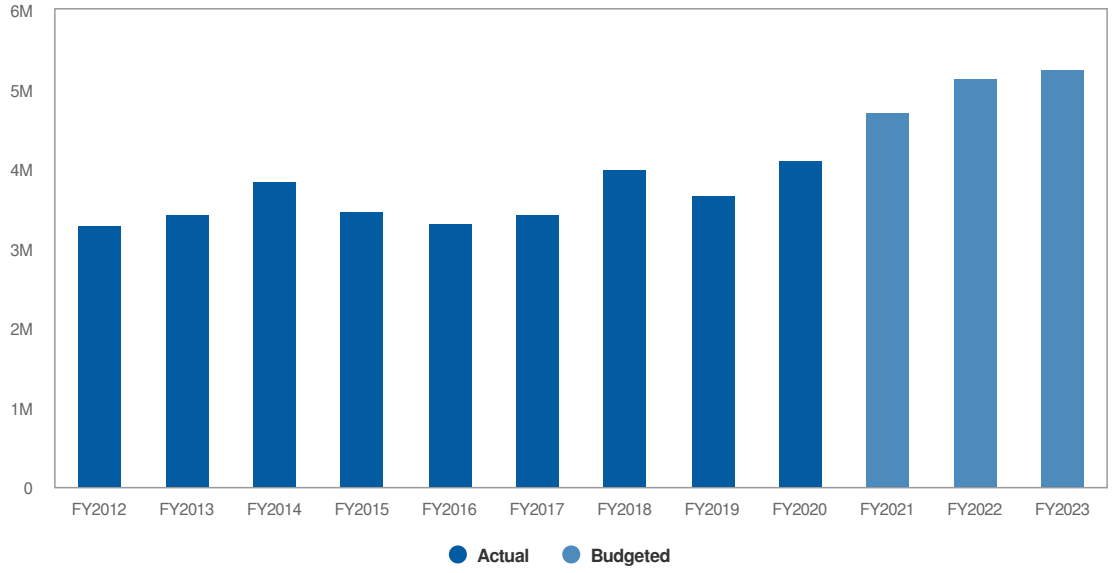
Water sales volume: Future water sales volume for the City is estimated by multiplying the projected number of customers by future estimates of water use per customer by classification.

The basis for the budgeted water service charge revenues for FY 2022 at $5.10 million includes the rate changes in water service rates (including the rate structure changes and the rate increases in January 2022) as well as a projected 0.50% increase in residential customer growth. FY 2023 budgeted water service charge revenues increase to $5.20 million, including the rate increase in January 2023 and the projected 0.50% increase in residential customer growth.

The following table illustrates the change in water service charge revenues from FY 2012 through the budgeted FY 2023. It should be noted that FY 2015 and FY 2016 reflect the City's water customers' efforts to reduce water consumption due to the state's emergency drought declaration. On January 17, 2014, California Governor Jerry Brown proclaimed a State of Emergency and asked all Californians to reduce water consumption by 20%. In addition, on April 1, 2015, the State Water Resources Control Board imposed restrictions to achieve a 25% reduction in potable water use and other water conservation measures. In FY 2018, water consumption increased largely from residential irrigation in the January through April months compared to the same time period in FY 2017. FY 2022 and FY 2023 budgeted revenues reflect the new increased rates and a projected 0.5% customer growth.

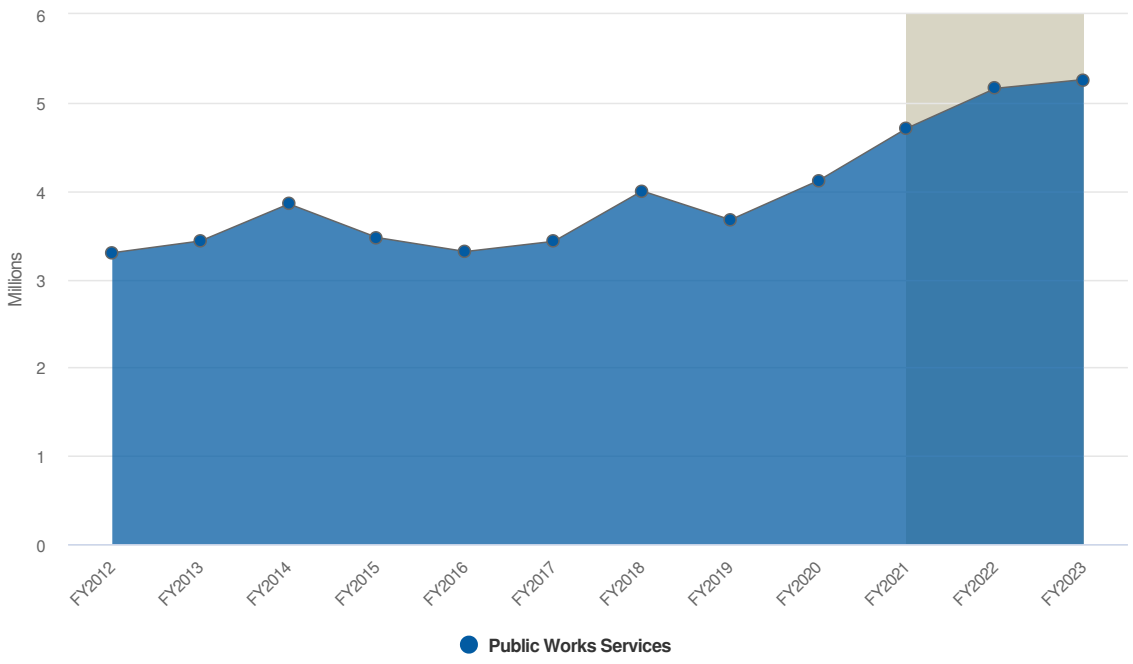
$5,160,000 **$450,000**
(9.55% vs. prior year)

Water Service Charges Proposed and Historical Budget vs. Actual



Revenues by Source

Budgeted and Historical 2022 Revenues by Source



Grey background indicates budgeted figures.

Name	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Revenue Source					

Name	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Departmental Revenues					
Public Works Services					
Water Meter & Install	$15,000	$15,000	$15,000	0%	0%
New Acct Set-up Fee	$20,000	$20,000	$20,000	0%	0%
Water Turn-on Fee	$5,000	$5,000	$5,000	0%	0%
Water Sales & Svc Chgs	$4,650,000	$5,100,000	$5,200,000	9.7%	2%
Penalty & Interest Fee	$10,000	$10,000	$10,000	0%	0%
48 Hour Notice Fee	$10,000	$10,000	$10,000	0%	0%
Total Public Works Services:	**$4,710,000**	**$5,160,000**	**$5,260,000**	**9.6%**	**1.9%**
Total Departmental Revenues:	**$4,710,000**	**$5,160,000**	**$5,260,000**	**9.6%**	**1.9%**
Total Revenue Source:	**$4,710,000**	**$5,160,000**	**$5,260,000**	**9.6%**	**1.9%**

Wastewater Service Charges Summary

Wastewater service charges are the primary source of revenue received by the City's Wastewater Enterprise Fund. These service charges have fixed and variable components. The fixed charge is based on meter size and is structured to recover 35% of all wastewater costs. The variable component is based on non-residential water consumption and is structured to recover 65% of all wastewater costs. Other revenue sources include penalties, interest income, and miscellaneous sources.

Historical actual wastewater service charge revenues fluctuate based on customer growth and waste sales volume, and include rate increases. As such, reviewing these historical actual revenue changes alone does not project wastewater service charge revenues for the future. Instead, wastewater service charges are estimated through projections of customer growth and water sales volume.

Customer growth: The City classifies wastewater customers into 17 classifications. These include Single-Family Residential (SFR), Multi-Family Residential (MFR), Mobile Home, and various Commercial customers grouped by the cost to treat the wastewater created by those businesses. For example, a school without a cafeteria is charged a different rate than a school with a cafeteria since the cafeteria would increase the cost to treat the wastewater.

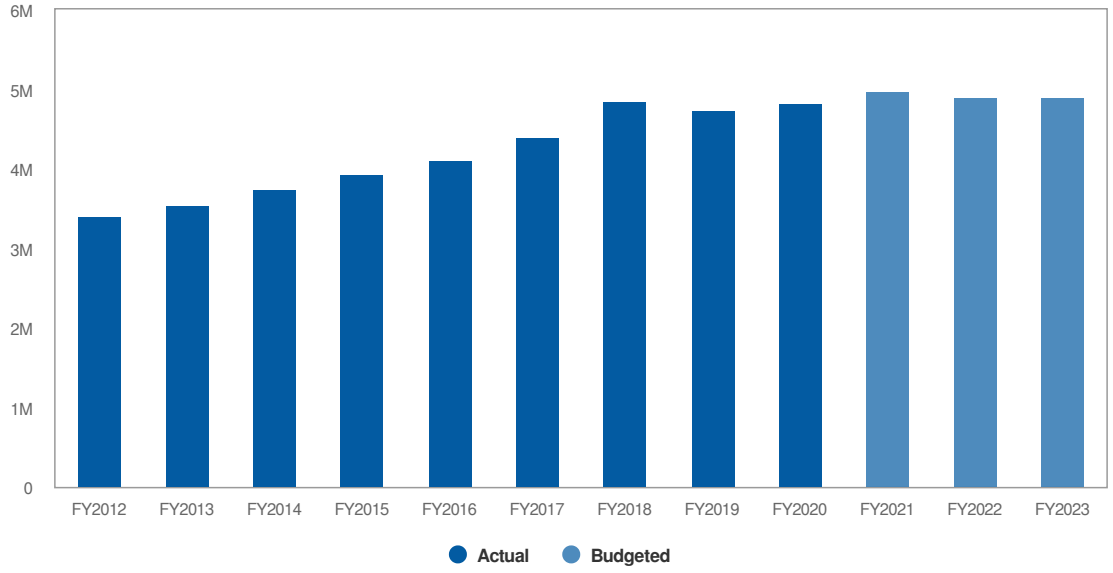
Wastewater sales volume: Future wastewater sales volume from non-residential wastewater customers is projected by multiplying the projected number of customers by future estimates of water use per customer by classification.

The basis for the budgeted wastewater service charge revenues for FY 2022 at $4.90 million includes the rate changes in wastewater service rate increases in January 2022, as well as a projected 0.50% increase in residential customer growth. FY 2023 budgeted wastewater service charge revenues remain at $4.90 million based on historical trends, despite the rate increase in January 2023 and the projected 0.50% increase in residential customer growth.

The following table illustrates the change in wastewater service charge revenues from FY 2012 through the budgeted FY 2023. It should be noted that FY 2015 and FY 2016 reflect the City's water customers' efforts to reduce water consumption due to the State's emergency drought declaration. On January 17, 2014, California Governor Jerry Brown proclaimed a State of Emergency and asked all Californians to reduce water consumption by 20%. In addition, on April 1, 2015, the State Water Resources Control Board imposed restrictions to achieve a 25% reduction in potable water use and other water conservation measures. In FY 2018, water consumption increased, leading to greater non-residential variable wastewater costs compared to FY 2017. FY 2022 and FY 2023 budgeted revenues reflect the new increased rates and a projected 0.5% customer growth, and take into account historical trends.

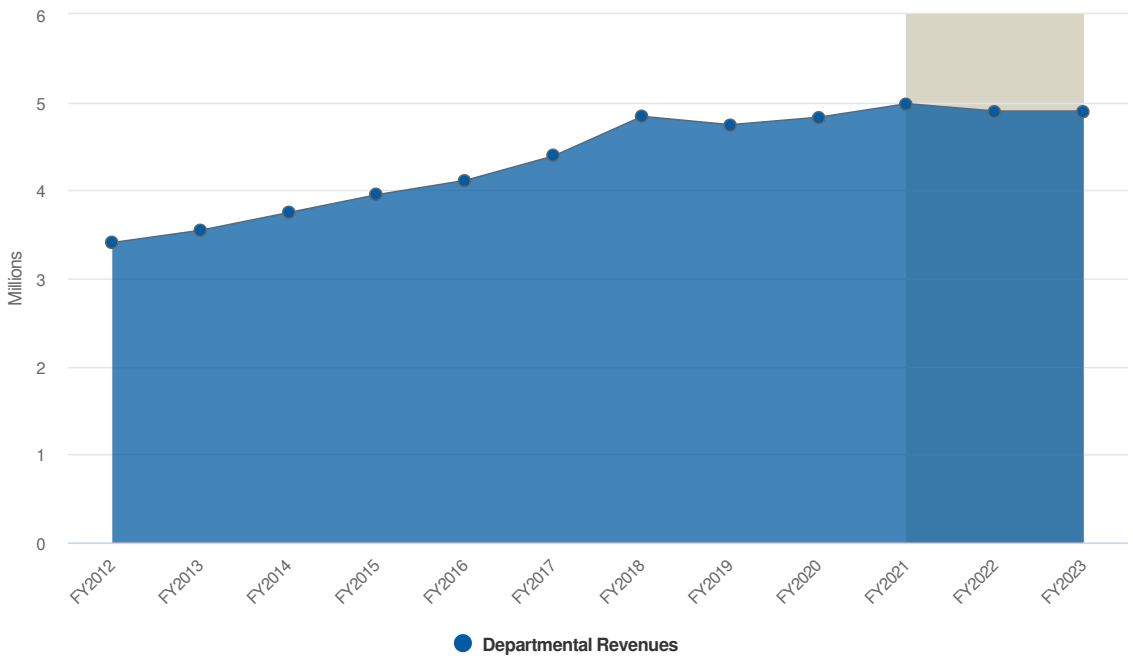
$4,900,000 **-$84,000**
(-1.69% vs. prior year)

Wastewater Service Charges Proposed and Historical Budget vs. Actual



Revenues by Source

Budgeted and Historical 2022 Revenues by Source



Grey background indicates budgeted figures.

Name	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Revenue Source					

Name	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Departmental Revenues					
Public Works Services					
Wastewater Svc Chgs	$4,984,000	$4,900,000	$4,900,000	-1.7%	0%
Total Public Works Services:	**$4,984,000**	**$4,900,000**	**$4,900,000**	**-1.7%**	**0%**
Total Departmental Revenues:	**$4,984,000**	**$4,900,000**	**$4,900,000**	**-1.7%**	**0%**
Total Revenue Source:	**$4,984,000**	**$4,900,000**	**$4,900,000**	**-1.7%**	**0%**

Transient Occupancy Tax Revenues Summary

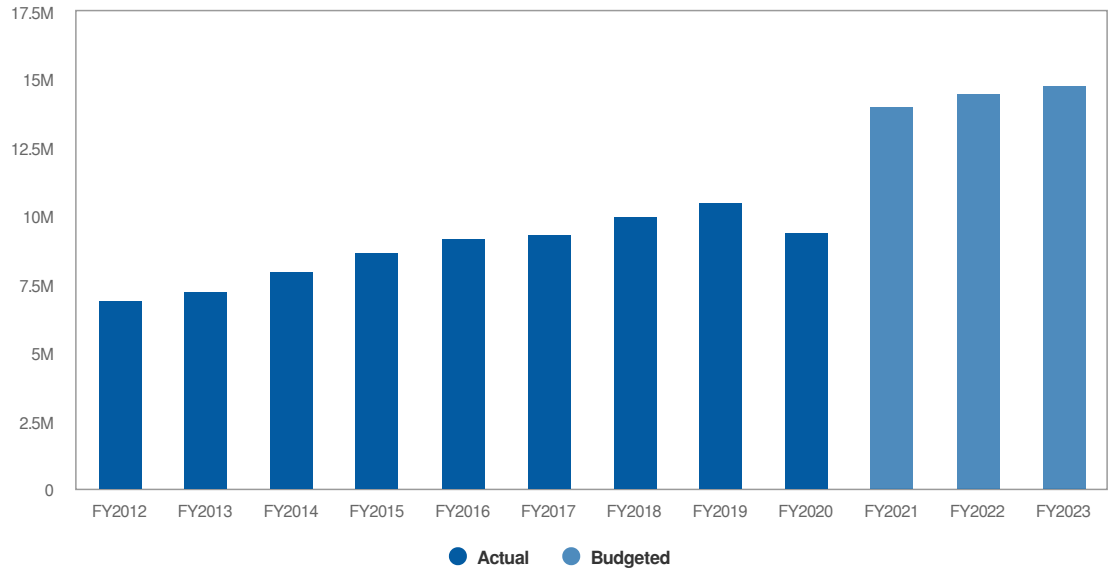
Transient Occupancy Tax (TOT) revenues make up the second largest component of operating revenues across all funds, or 29% of all operating revenues. TOT revenue is the largest source of revenue in the General Fund and accounts for 50.8% of total General Fund operating revenues. In general, TOT revenues are equal to 11% of the rent charged by all lodging businesses for a person exercising occupancy for 30 consecutive calendar days or less, paid monthly to the City. Prior to January 1, 2021 (during FY 2021), TOT revenues were equal to 10% of gross rent charged by all lodging businesses for a person exercising occupancy for 30 consecutive calendar days or less. These revenues have grown by 9.2% per year for the past 9 years from FY 2012 to the budget for FY 2021. For the past five years from FY 2017 to the budget for FY 2021, the growth rate was 10.5%, which includes a decline in TOT revenues by 9.6% in FY 2020 due to the COVID-19 global pandemic and an increase of an additional percent in TOT from 10% to 11% in the middle of FY 2021.

Based on data obtained from Smith Travel Research Inc., a provider of competitive benchmarking, information services, and research to the hotel industry, excluding the additional 1% TOT on gross lodging revenues, a portion of the FY 2021 increase in TOT revenues is primarily due to an increase in room revenue. The average daily rate increased by 30.1% on average during FY 2021 compared to FY 2020. In addition, occupancy rates increased by 23.5% on average during FY 2021 compared to FY 2020. Looking at occupancy rates in FY 2021 compared to FY 2019 (pre-pandemic), occupancy rates are 3.8% less than FY 2019. Comparing average daily rate in FY 2021 to FY 2019 (pre-pandemic), rates are up by $38.84, or $219.26 in FY 2021 compared to $180.42.

The FY 2022 Adopted Budget includes $14.51 million, which includes a conservative 3.2% increase over the projected $14.05 million that City staff estimates to receive in FY 2021. The FY 2023 Adopted Budget includes $14.79 million, which includes a conservative 2.0% increase over the FY 2022 budget. A 2.0% increase of the base is used to reflect a slowdown of these revenues in room rates. The following table shows TOT revenues by fiscal year, where actual revenues received are reflected in FY 2012 to FY 2020, FY 2021 is the City's revised budget, and FY 2022 and FY 2023 represent the two budget years.

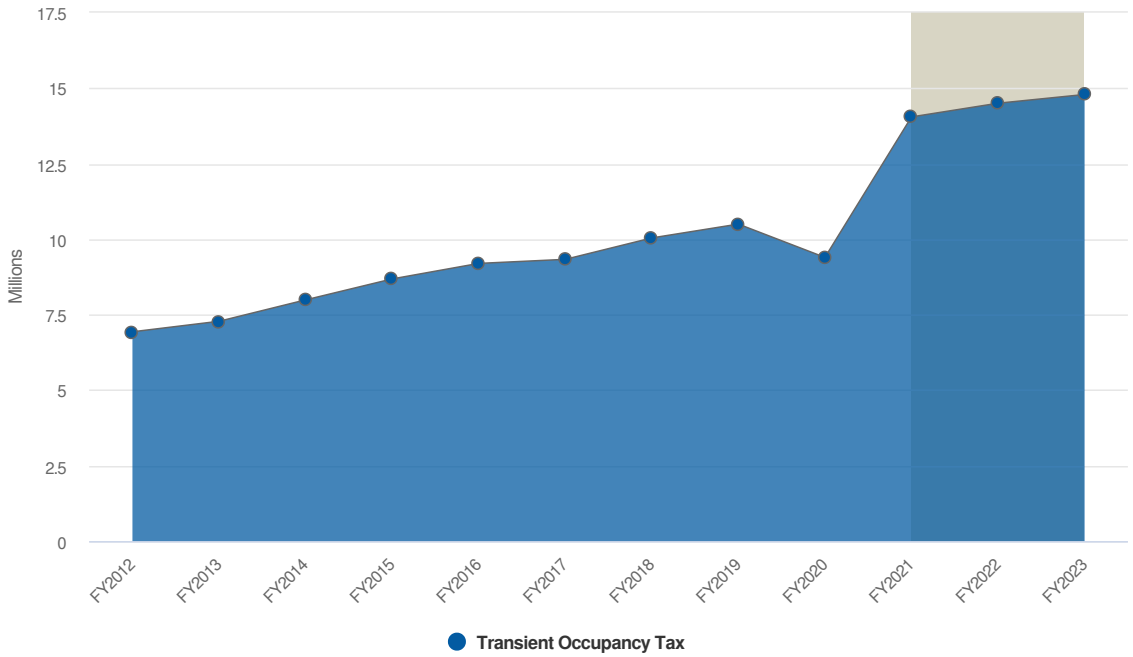
$14,501,700 **$453,282**
(3.23% vs. prior year)

Transient Occupancy Tax Revenues Proposed and Historical Budget vs. Actual



Revenues by Source

Budgeted and Historical 2022 Revenues by Source



Grey background indicates budgeted figures.

Name	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Revenue Source					
Transient Occupancy Tax					
Transient Occupancy Tax					
Trans Occupancy Tax	$14,048,418	$14,501,700	$14,791,000	3.2%	2%
Total Transient Occupancy Tax:	**$14,048,418**	**$14,501,700**	**$14,791,000**	**3.2%**	**2%**
Total Transient Occupancy Tax:	**$14,048,418**	**$14,501,700**	**$14,791,000**	**3.2%**	**2%**
Total Revenue Source:	**$14,048,418**	**$14,501,700**	**$14,791,000**	**3.2%**	**2%**

Property-Related Tax Revenues Summary

Property-related tax revenues are the third largest source of operating revenues across all funds, accounting for 15% of all operating revenues. Property-related tax revenues are the second largest source of General Fund revenues and account for 20.8% of the total General Fund operating revenue budget, or a projected $6.10 million in FY 2022 and $6.43 million in FY 2023. There are two sources of property-related tax revenues:

- Property Tax Assessed Value revenues: This is the largest share, or $4.96 million in FY 2022 and $5.06 million in FY 2023, and is equivalent to 1% of assessed values. This amount follows the San Luis Obispo County Assessor Recorder's estimate on assessed valuations.
- Property Tax In Lieu of Vehicle License Fees: This is the second largest share, or $0.97 million in FY 2022 and $1.21 million in FY 2023, which is a 1% tax on the market value of a registered vehicle.
- Former RDA property tax revenues: In FY 2021, the RDA was dissolved and future revenues are now reflected in the Property Tax Assessed Value revenues source.

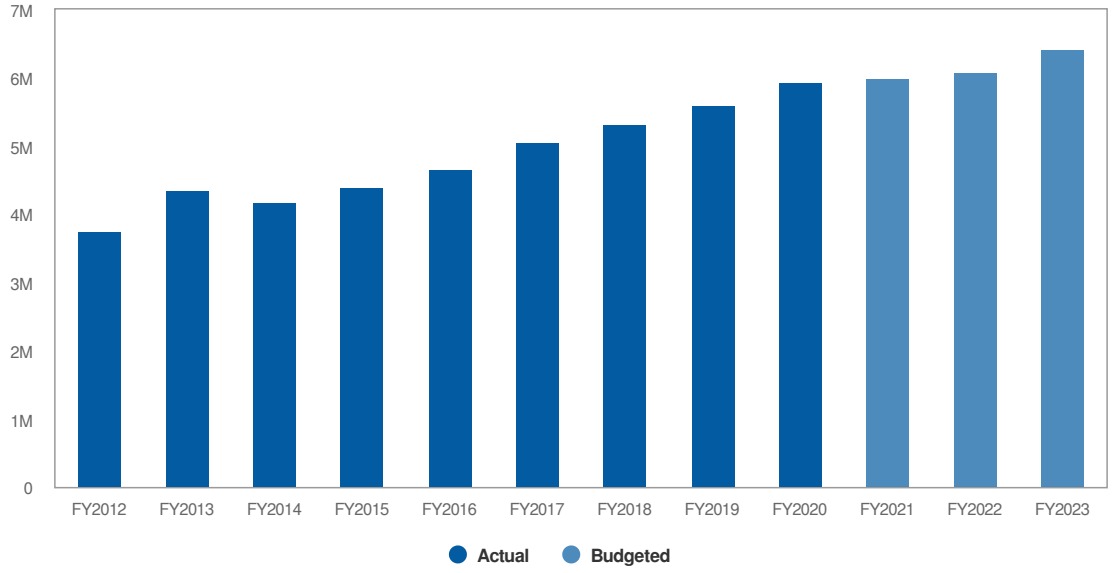
Property Tax Assessed Value Revenues: The FY 2022 and FY 2023 assessed value property tax revenues are $4.96 million and $5.06 million, respectively. This reflects a growth of 11.6% from former FY 2021 property-related tax budget revenues of $4.44 million and potential recapture of parcels that were previously granted a value reduction and have potential for recaptured value per Proposition 8. The net change is an additional 11.6% in FY 2022 and 2.0% in FY 2023. Since the FY 2022 budget was adopted, projected actual revenues for FY 2021 were revised to $4.83 million. As such, the FY 2022 Adopted Budget assessed value revenues are 2.6% greater than FY 2021 projected actuals. The primary factors used in the projection of this revenue include historical growth in assessed valuation and projected home values. The housing market is projected to grow, although the pace of the growth is projected to slow due to the increase of interest rates and tight inventories. In most areas, foreclosure levels are back at historical norms as seen in 2006, before the real estate recession. The assumptions based on these factors are discussed in greater detail below.

- Assessed Valuation: The San Luis Obispo County Assessor provides assessed valuation information and a City-hired specialist reviews and analyzes this information to project future revenues. This recent growth is largely attributable to residential and commercial property valuations increasing in the past few years. The assessed value for most real property is the prior year's assessed value adjusted by the California Consumer Price Index (CPI), up to 2%. However, if there has been a change in ownership the new assessed value will be the market value of the property. In addition, as part of California's Proposition 8, a constitutional amendment to Article XIII A that allows a temporary reduction in assessed value when real property suffers a decline in value, properties were assessed at a lower value during the housing crisis of FY 2010. Over time, the County Assessor has been reassessing those properties at a faster rate than the CPI and has been able to recapture over 97% of the assessed value of Pismo Beach properties. As such, property-related tax revenues can increase beyond the 2% CPI level and have been for the past few years.

The following table illustrates all three property-related tax revenues by fiscal year, where actual revenues received are reflected in FY 2012 to FY 2020, FY 2021 is the City's revised budget, and FY 2022 and FY 2023 represent the two budget years.

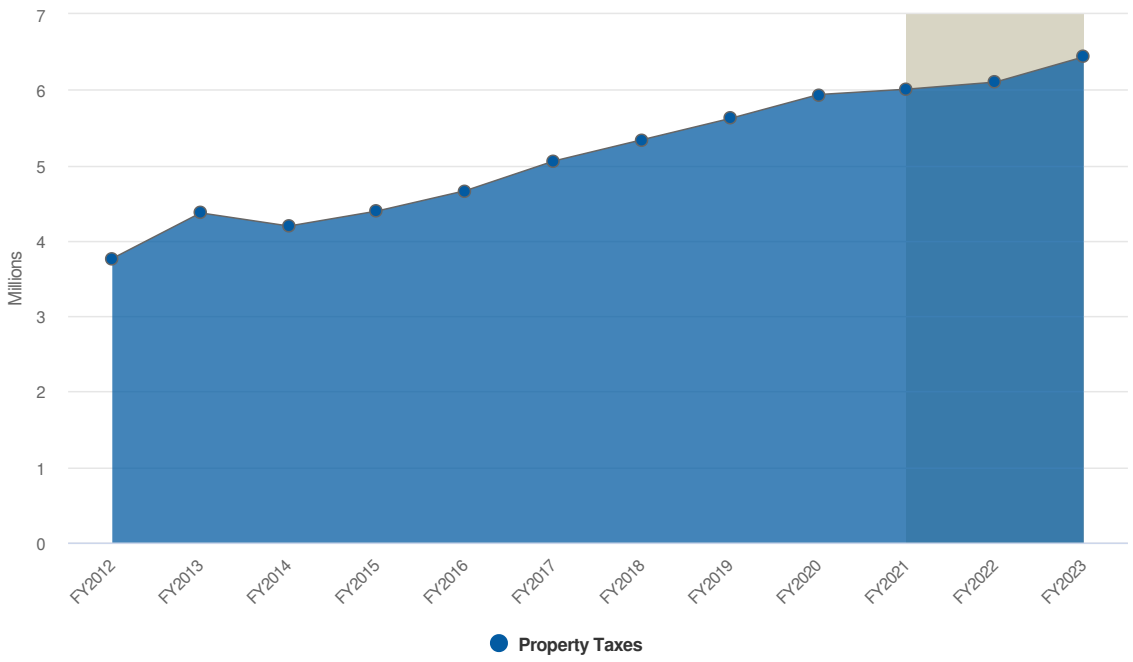
$6,100,458 $93,920
(1.56% vs. prior year)

Property-Related Tax Revenues Proposed and Historical Budget vs. Actual



Revenues by Source

Budgeted and Historical 2022 Revenues by Source



Grey background indicates budgeted figures.

Name	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Revenue Source					

Name	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Property Taxes					
Property Related Taxes					
Prop Taxes-Curr Secured	$4,440,348	$4,956,188	$5,055,311	11.6%	2%
Prop Taxes-Curr Unsecur	$167,109	$169,570	$172,767	1.5%	1.9%
Prop Tax-In Lieu VLF	$1,098,581	$974,700	$1,206,893	-11.3%	23.8%
Prop Tax - Former RDA	$300,500	$0	$0	-100%	0%
Total Property Related Taxes:	**$6,006,538**	**$6,100,458**	**$6,434,971**	**1.6%**	**5.5%**
Total Property Taxes:	**$6,006,538**	**$6,100,458**	**$6,434,971**	**1.6%**	**5.5%**
Total Revenue Source:	**$6,006,538**	**$6,100,458**	**$6,434,971**	**1.6%**	**5.5%**

Sales & Use Tax Revenues Summary

Sales and use tax revenues are the fourth largest source of operating revenues across all funds, contributing 9% of operating revenues each year. Sales and use tax revenues are the third largest source of revenue in the General Fund at 11% of total General Fund revenues. This revenue is projected at $3.14 million in FY 2022 and $3.17 million in FY 2023. There are two sources of sales tax revenues that the City receives:

- The largest source is the Bradley Burns Uniform Sales and Use Tax, which is 1.00% of taxable sales. These revenues are projected to come in at $3.04 million in FY 2022 and at $3.07 million in FY 2023. These revenues are projected to be relatively flat, decreasing by 1.4% in FY 2022 and increasing by 1.0% in FY 2023. The FY 2022 Adopted Budget for these revenues was based on a spring 2021 projection before revenues were received by August 31, 2021. In budget development, these revenues were projected to increase. Based on the updated FY 2021 actual revenues, the FY 2022 and FY 2023 budgets will likely be increased.

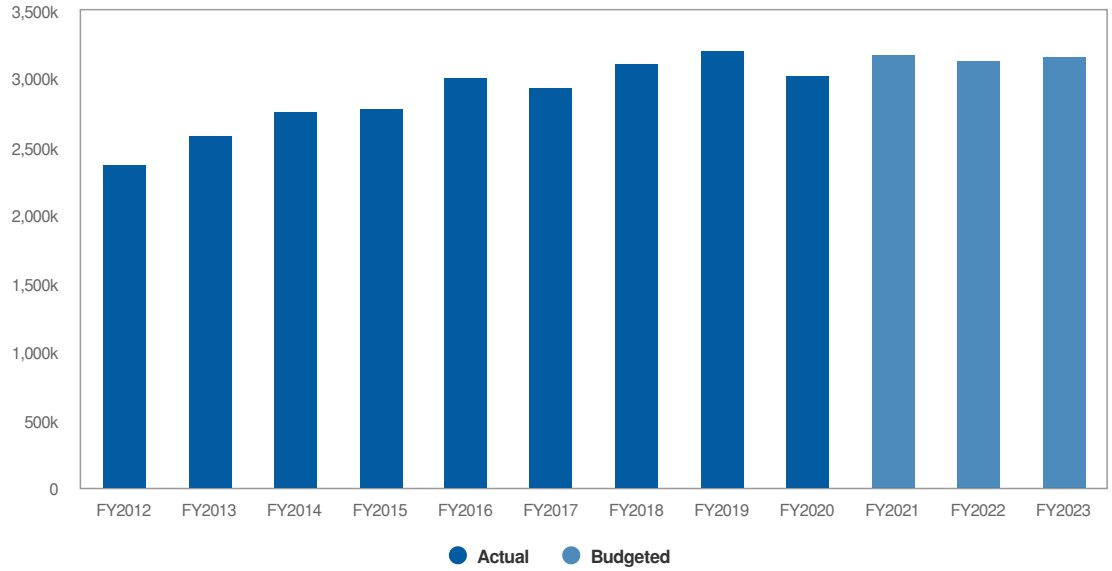
- The second source of sales tax revenues is the 0.5% Public Safety Tax that provides revenues on the basis of the county's share of statewide taxable sales and a formula based on the amount of property tax lost to the previous state expropriations by the Educational Revenue Augmentation Fund (ERAF). These revenues can only be used for specified public safety purposes. The City receives this sales tax revenue monthly, and it represents a projected $0.11 million per year in FY 2022 and FY 2023. These revenues are projected to decline by 0.6% in FY 2022 and increase by 1% in FY 2023. In budget development, these revenues were projected to increase. Based on the updated FY 2021 actual revenues, the FY 2022 and FY 2023 budgets will likely be increased.

Bradley Burns Sales and Use Tax revenues fluctuate from year to year depending on the overall economy. In the past 9 years these revenues have fluctuated between $2.38 million to $3.02 million per year, with an average annual growth rate of 6.5%. FY 2016 and FY 2017 included one-time payments that skew this growth rate. As such, a more conservative growth rate of approximately 1% per year was factored into the budget.

The following chart shows actual sales and use tax revenues from FY 2012 through FY 2020, then the FY 2021 revised budget amount, and finally, the budgeted FY 2022 and FY 2023 revenues.

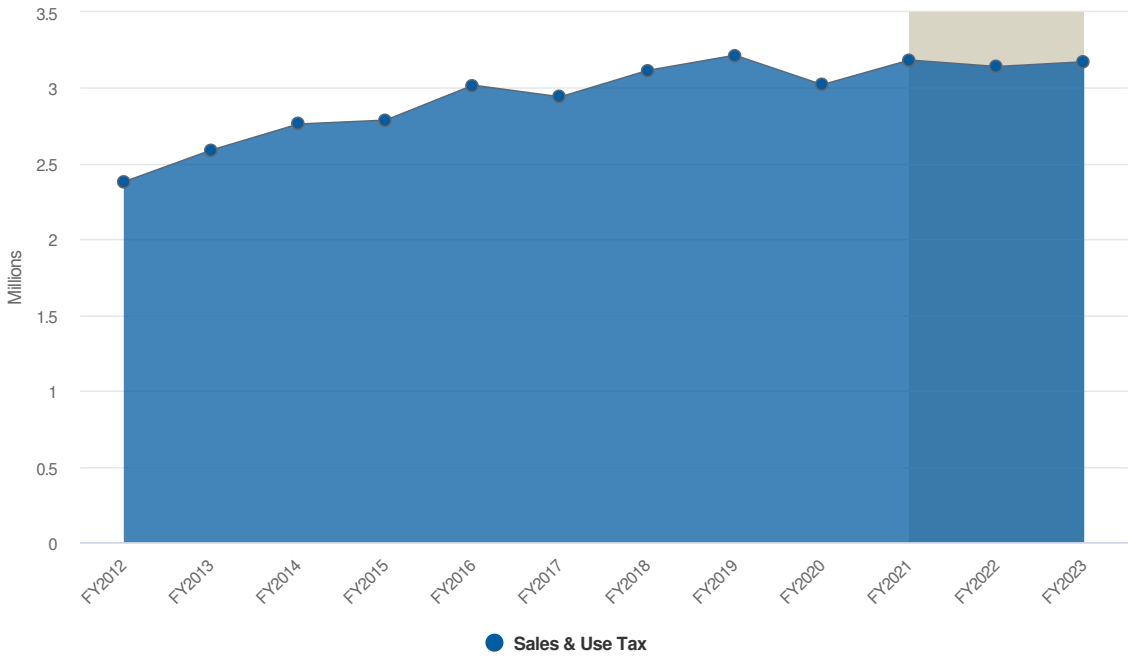
$3,141,335 -$42,816
(-1.34% vs. prior year)

Sales & Use Tax Revenues Proposed and Historical Budget vs. Actual



Revenues by Source

Budgeted and Historical 2022 Revenues by Source



Grey background indicates budgeted figures.

Name	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Revenue Source					
Sales & Use Tax					
Sales And Use Tax					
Sales Tax	$3,078,151	$3,036,000	$3,066,360	-1.4%	1%
Sales Tax-Safety	$106,000	$105,335	$106,388	-0.6%	1%
Total Sales And Use Tax:	**$3,184,151**	**$3,141,335**	**$3,172,748**	**-1.3%**	**1%**
Total Sales & Use Tax:	**$3,184,151**	**$3,141,335**	**$3,172,748**	**-1.3%**	**1%**
Total Revenue Source:	**$3,184,151**	**$3,141,335**	**$3,172,748**	**-1.3%**	**1%**

LBID Assessment Revenues Summary

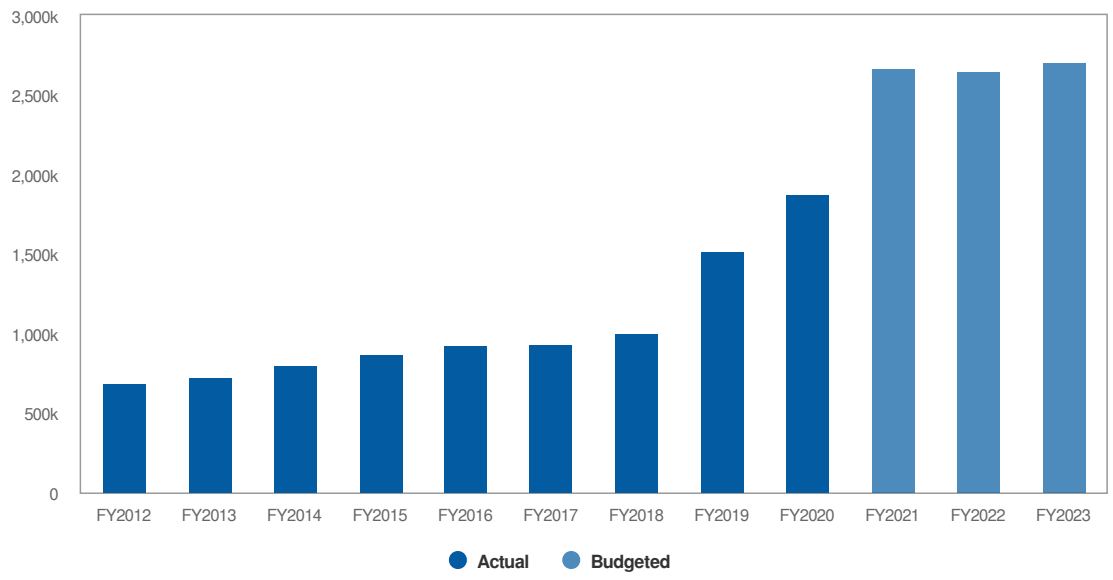
Lodging Business Improvement District (LBID) assessment revenues make up 5% of operating revenues across all funds and is the fifth largest operating revenue source for the City. The Pismo Beach LBID is an assessment district created by the Pismo Beach City Council on August 4, 2009 via Ordinance No. 2009-008, at the request and approval of a majority of the lodging businesses operating in the City, to raise money by assessing themselves, and then to use that money to promote Pismo Beach lodging businesses. Each year since then, the City Council has approved an annual assessment for lodging properties at 1% of gross lodging revenues.

In FY 2019, the Conference and Visitors Bureau Board / LBID Advisory Board and City Council approved an additional 1% LBID assessment starting on January 1, 2019 and continuing for 5 years, subject to annual approval, to provide the funding to complete some significant community-enhancing projects that will help promote and benefit the lodging businesses in the City of Pismo Beach.

The following table summarizes LBID Assessment revenues from FY 2012 through the FY 2023 Adopted Budget. FY 2022 and FY 2023 LBID assessment revenue projections were developed in the spring of 2021 when LBID revenues were projected to be 9.4% greater than FY 2021 and 2.0% greater in FY 2022 compared to FY 2021. The table below shows FY 2021 revenues reaching $2.67 million, which is the updated FY 2021 budget after FY 2021 actuals were known. As such, staff estimates that FY 2022 and FY 2023 revenues to be adjusted upwards in the near future.

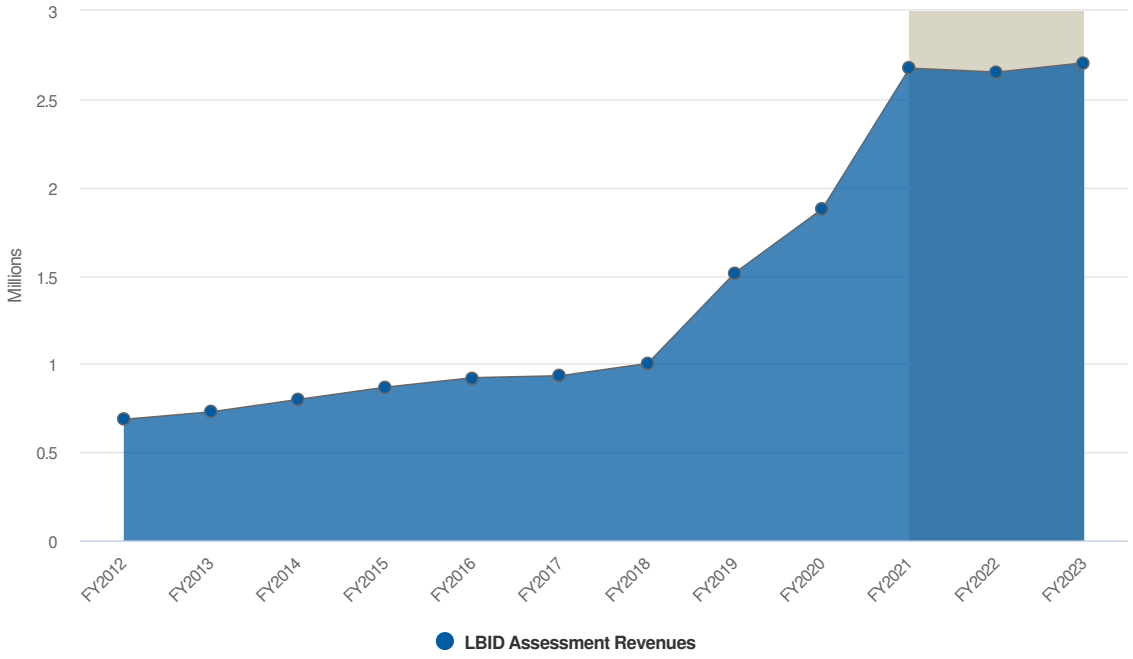
$2,651,800 **-$22,449**
(-0.84% vs. prior year)

LBID Assessment Revenues Proposed and Historical Budget vs. Actual



Revenues by Source

Budgeted and Historical 2022 Revenues by Source



Grey background indicates budgeted figures.

Name	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Revenue Source					
LBID Assessment Revenues					
Lbid Assessment Revenues					
LBID Assessment Revenue	$1,337,124	$1,325,900	$1,352,400	-0.8%	2%
LBID Assessment-Improvements	$1,337,124	$1,325,900	$1,352,400	-0.8%	2%
Total Lbid Assessment Revenues:	**$2,674,249**	**$2,651,800**	**$2,704,800**	**-0.8%**	**2%**
Total LBID Assessment Revenues:	**$2,674,249**	**$2,651,800**	**$2,704,800**	**-0.8%**	**2%**
Total Revenue Source:	**$2,674,249**	**$2,651,800**	**$2,704,800**	**-0.8%**	**2%**

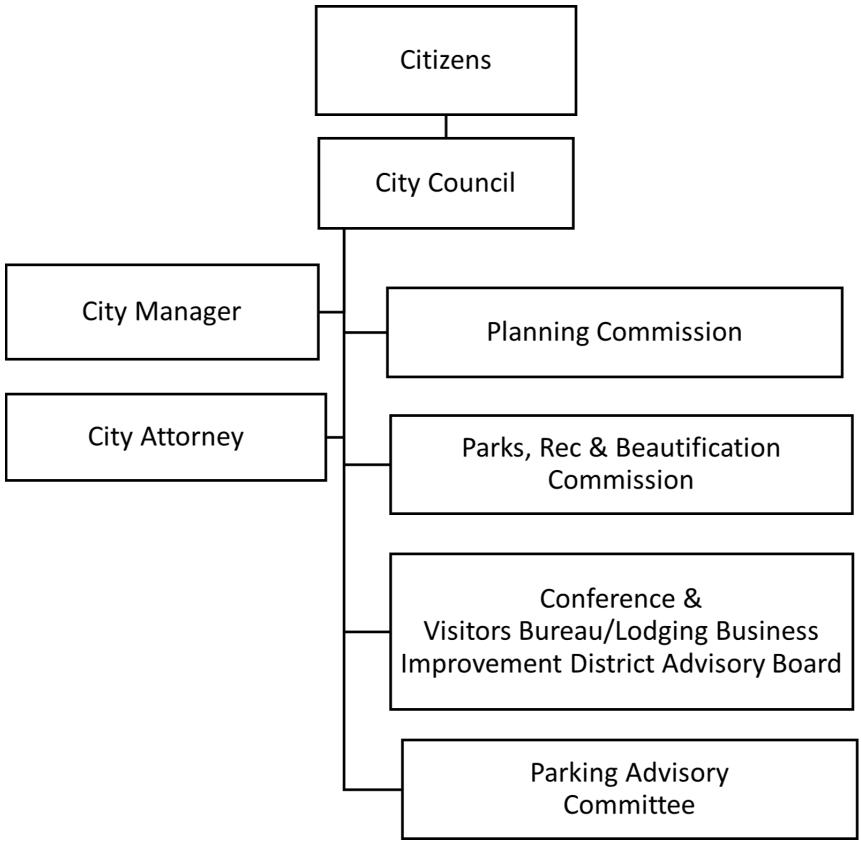
DEPARTMENTS



City Council

The City Council is the five-member legislative body of the City of Pismo Beach. Members of the City Council are elected at-large to staggered four-year terms, with the exception of the Mayor who is elected at-large to a two-year term. The City Council establishes policies for the City, which are implemented by staff under the direction of the City Manager. Various advisory bodies comprised of citizens appointed by the City Council, also advise the City Council. The City Manager and the City Attorney are directly appointed by the Council.

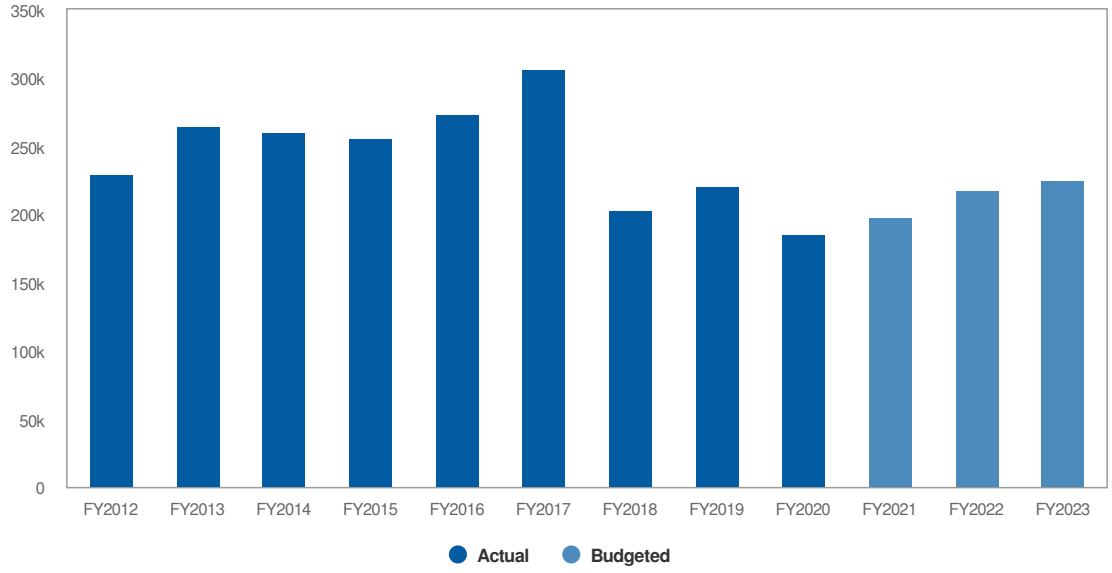
Organizational Chart



Expenditures Summary

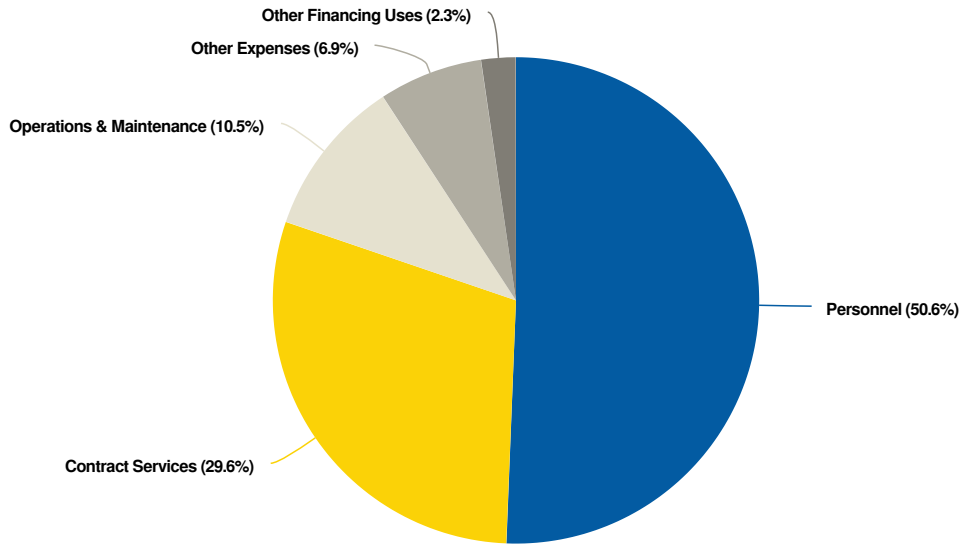
$218,147 $20,091
(10.14% vs. prior year)

City Council Proposed and Historical Budget vs. Actual

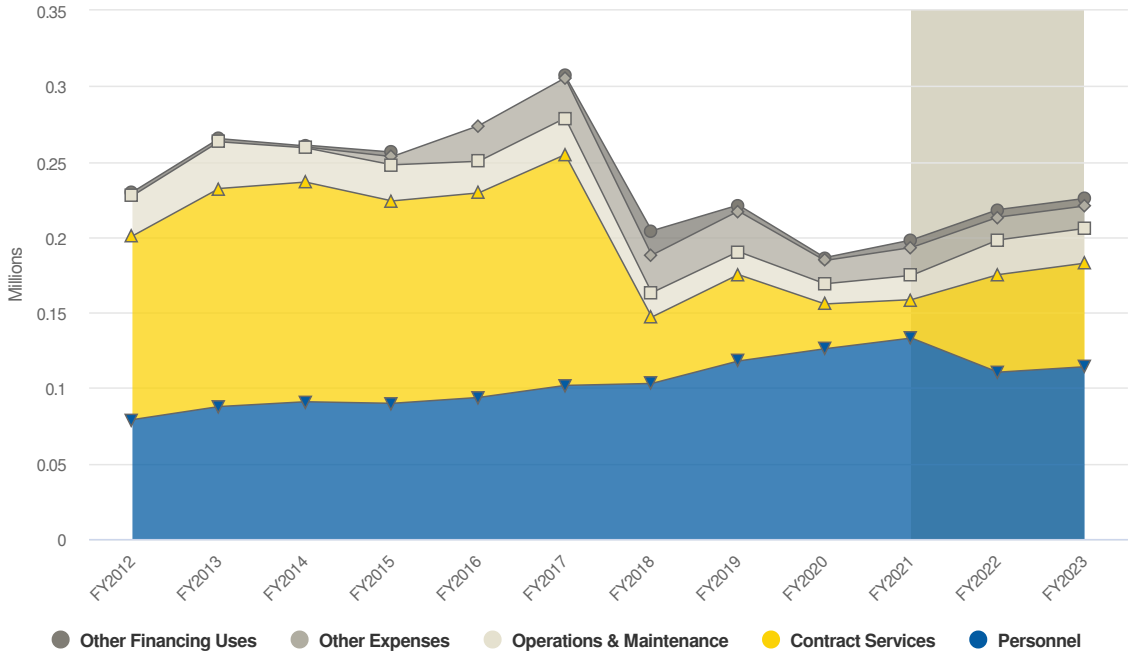


Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Expense Objects							
Personnel							
Salaries & Wages	$34,488	$43,695	$49,974	$49,974	$49,974	0%	0%
Benefits	$68,515	$74,180	$83,112	$60,489	$64,084	-27.2%	5.9%
Total Personnel:	**$103,003**	**$117,875**	**$133,085**	**$110,462**	**$114,058**	**-17%**	**3.3%**
Contract Services	$43,973	$57,248	$25,445	$64,600	$68,600	153.9%	6.2%
Total Contract Services:	**$43,973**	**$57,248**	**$25,445**	**$64,600**	**$68,600**	**153.9%**	**6.2%**
Operations & Maintenance	$16,130	$15,243	$16,031	$23,000	$23,000	43.5%	0%
Total Operations & Maintenance:	**$16,130**	**$15,243**	**$16,031**	**$23,000**	**$23,000**	**43.5%**	**0%**
Other Expenses	$24,883	$26,796	$18,495	$15,085	$14,887	-18.4%	-1.3%
Total Other Expenses:	**$24,883**	**$26,796**	**$18,495**	**$15,085**	**$14,887**	**-18.4%**	**-1.3%**
Other Financing Uses	$16,129	$4,016	$5,000	$5,000	$5,000	0%	0%
Total Other Financing Uses:	**$16,129**	**$4,016**	**$5,000**	**$5,000**	**$5,000**	**0%**	**0%**

Name	FY2018 Actual	FY2019 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Total Expense Objects:	**$204,118**	**$221,178**	**$198,057**	**$218,147**	**$225,545**	**10.1%**	**3.4%**

Accomplishments in Prior Two-Year Budget

- Improved Traffic Circulation
- Downtown Revitalization
- Continued Planning for Central Coast Blue
- Continued California Cities involvement
- Continuous investment in City infrastructure, maintenance, and improvements
- Maintained strong financial position
- Continued to set ambitious goals and vision for the City

Work Program Highlights for Next Two-Year Budget

- Implement Major City Goals and Priorities
- Continue California Cities involvement
- Continuous investment in city infrastructure
- Represent the City effectively on various regional boards and committees
- Enact state and federal legislative platforms

City Attorney



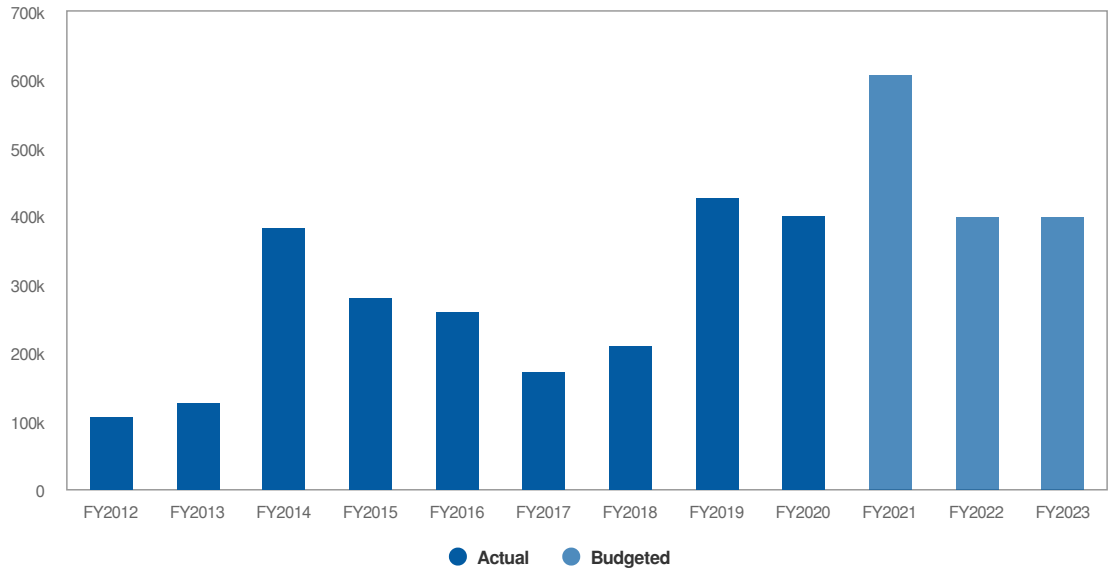
David Fleishman
City Attorney

The City Council is the five-member legislative body of the City of Pismo Beach. Members of the City Council are elected at-large to staggered four-year terms, with the exception of the Mayor who is elected at-large to a two-year term. The City Council establishes policies for the City, which are implemented by staff under the direction of the City Manager. Various advisory bodies comprised of citizens appointed by the City Council, also advise the City Council. The City Manager and the City Attorney are directly appointed by the Council.The City Attorney is the chief legal advisor for the City and provides legal services to the City through a contractual arrangement approved by the City Council. The City Attorney's Office manages all aspects of the City's legal affairs; researches, drafts and/or reviews ordinances, resolutions, contracts, bonds and other legal documents supporting the actions of the City Council; advises the Council, City Manager and departments on the legality of various procedural and substantive matters; represents the City in administrative proceedings and court trials; and manages all litigation and oversees outside counsel as appropriate. Actual hours expended per year are dependent on legal service needs of Council, City Manager, and Department Heads.

Expenditures Summary

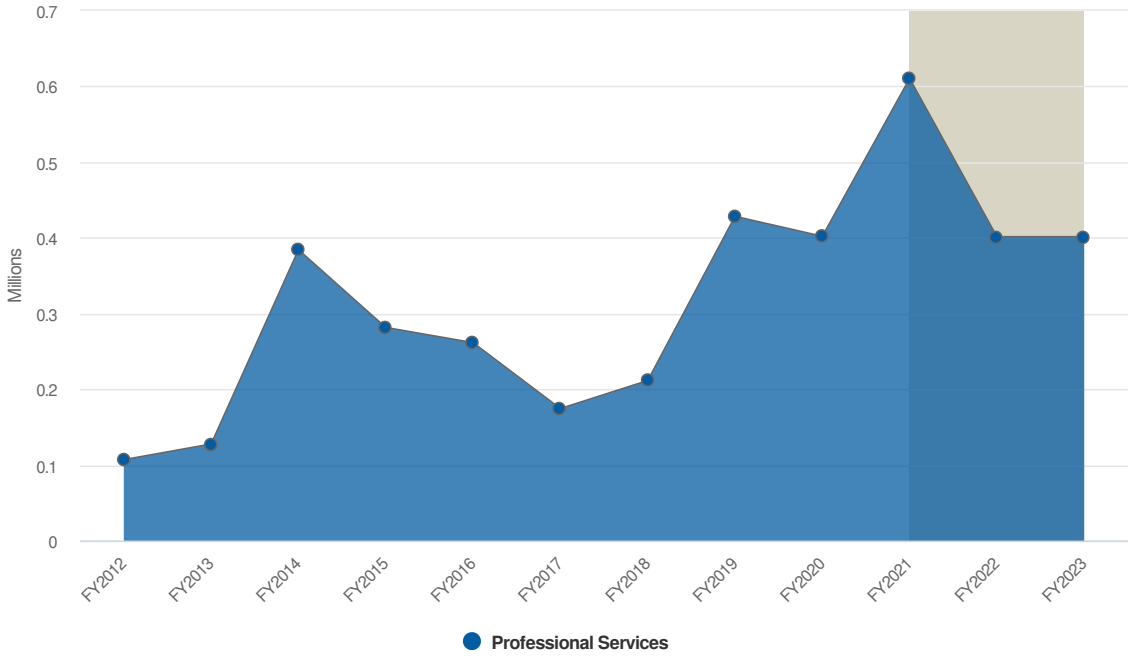
$401,500 -$209,159
(-34.25% vs. prior year)

City Attorney Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Expense Objects							
Professional Services							
Profess Svc Council & Admin	$76,493	$81,423	$96,080	$97,000	$97,000	1%	0%
Professional Svc Finance	$5,175	$12,037	$11,530	$12,000	$12,000	4.1%	0%
Professional Svc Community Dev	$30,104	$23,501	$19,220	$19,000	$19,000	-1.1%	0%
Professional Svc Public Works	$4,511	$3,778	$11,650	$12,000	$12,000	3%	0%
Professional Svc Police	$3,786	$3,872	$34,940	$35,000	$35,000	0.2%	0%
ProfessSvc Fire & Lifeguards	$34	$0	$4,213	$4,500	$4,500	6.8%	0%
Civil Litigation	$90,814	$303,778	$431,026	$220,000	$220,000	-49%	0%
Other Legal	$183	$17	$0	$0	$0	0%	0%
Other Legal	$371	$34	$2,000	$2,000	$2,000	0%	0%
Total Professional Services:	**$211,473**	**$428,440**	**$610,659**	**$401,500**	**$401,500**	**-34.3%**	**0%**

Name	FY2018 Actual	FY2019 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Total Expense Objects:	**$211,473**	**$428,440**	**$610,659**	**$401,500**	**$401,500**	**-34.3%**	**0%**

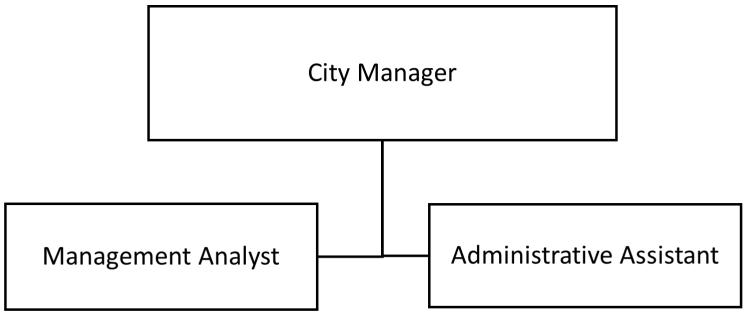
City Manager



James R. Lewis
City Manager

The City Manager's Office is the executive and administrative arm of the City. With responsibility for implementing the policy direction of the City Council, the City Manager coordinates and directs the work efforts of the various departments of the City; submits for Council review and consideration of the two-year budget and implements the same; interfaces with the public on behalf of the City Council; undertakes special projects of high importance to the City Council; and serves as the City's personnel and purchasing officer, appointing all employees and enforcing purchasing procedures.

Organizational Chart



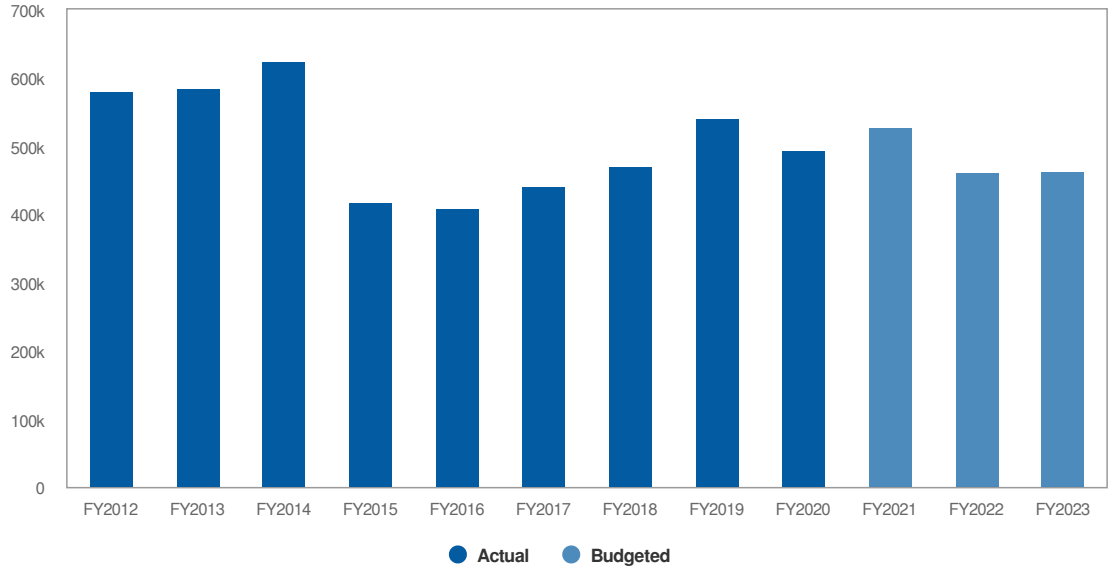
Staffing Levels

Fund, Department, Division	Positions	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
General Fund, City Manager	City Manager	1.00	1.00	1.00	1.00	1.00	1.00
General Fund, City Manager	Executive Assistant	1.00	0.00	0.00	0.00	0.00	0.00
General Fund, City Manager	Management Analyst	0.00	1.00	0.33	0.33	0.15	0.15
General Fund, City Manager	Administrative Assistant	0.00	0.00	0.00	0.00	0.20	0.20
General Fund, City Manager	**City Manager Department Total**	**2.00**	**2.00**	**1.33**	**1.33**	**1.35**	**1.35**

Expenditures Summary

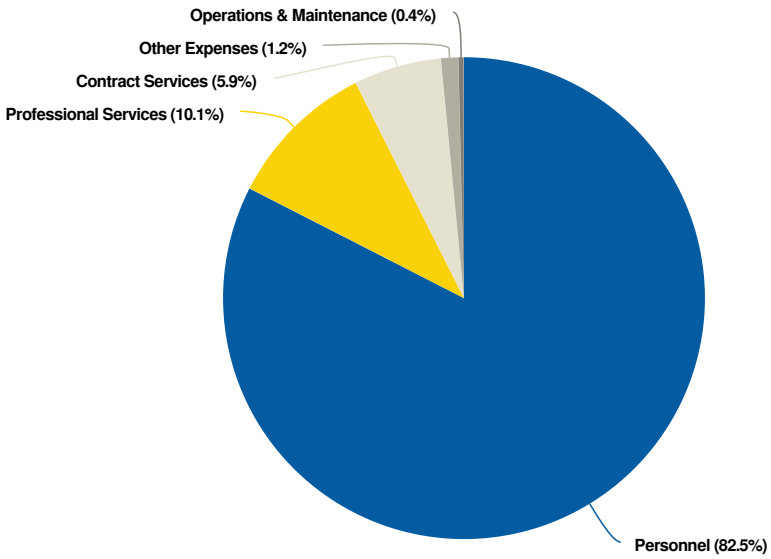
$462,336 -$65,585
(-12.42% vs. prior year)

City Manager Proposed and Historical Budget vs. Actual

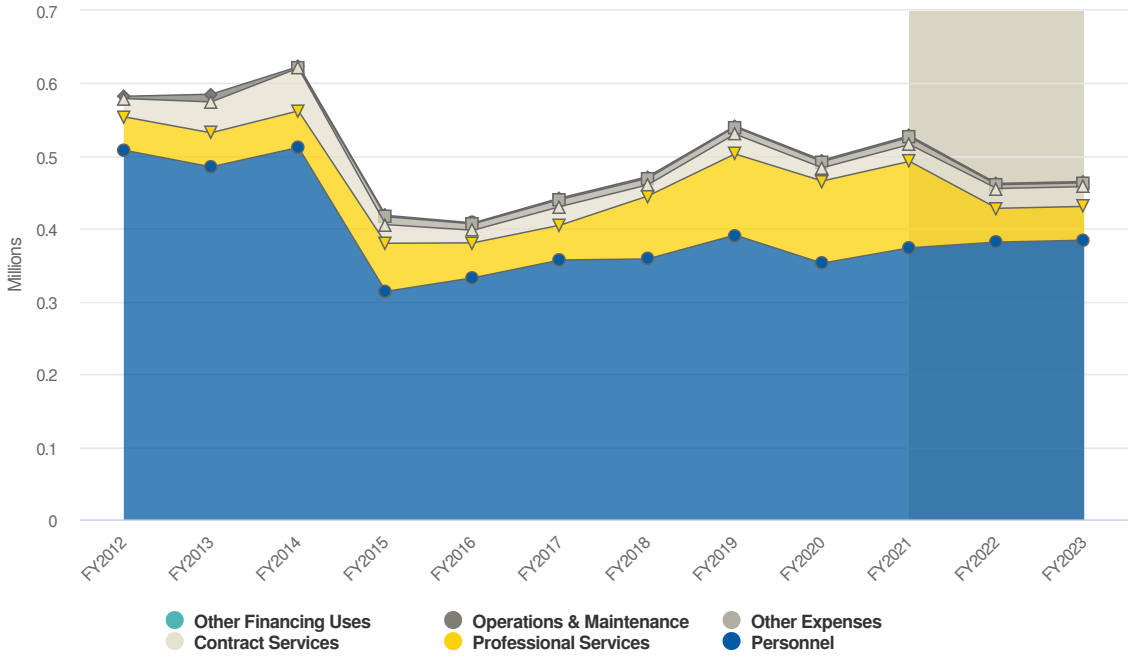


Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Expense Objects							
Personnel							
Salaries & Wages	$264,718	$286,440	$257,555	$266,110	$266,598	3.3%	0.2%
Benefits	$93,656	$104,818	$116,178	$115,451	$117,547	-0.6%	1.8%
Total Personnel:	**$358,374**	**$391,258**	**$373,733**	**$381,562**	**$384,145**	**2.1%**	**0.7%**
Professional Services	$86,500	$111,575	$118,911	$46,500	$46,500	-60.9%	0%
Total Professional Services:	**$86,500**	**$111,575**	**$118,911**	**$46,500**	**$46,500**	**-60.9%**	**0%**
Contract Services	$15,411	$27,361	$23,180	$27,206	$27,206	17.4%	0%
Total Contract Services:	**$15,411**	**$27,361**	**$23,180**	**$27,206**	**$27,206**	**17.4%**	**0%**
Operations & Maintenance	$2,266	$1,428	$2,100	$1,750	$1,750	-16.7%	0%
Total Operations & Maintenance:	**$2,266**	**$1,428**	**$2,100**	**$1,750**	**$1,750**	**-16.7%**	**0%**
Other Expenses	$8,987	$9,652	$9,996	$5,318	$5,252	-46.8%	-1.2%
Total Other Expenses:	**$8,987**	**$9,652**	**$9,996**	**$5,318**	**$5,252**	**-46.8%**	**-1.2%**

Name	FY2018 Actual	FY2019 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Total Expense Objects:	**$471,537**	**$541,274**	**$527,920**	**$462,335**	**$464,853**	**-12.4%**	**0.5%**

Accomplishments in Prior Two-Year Budget

- Completed Major City Goals and Priorities
- Continued League of California Cities involvement to advocate for best interests of the City
- Ensured and protected the City's strong financial position
- Represented the City effectively on various regional boards and committees
- Enacted state and federal legislative platforms
- Maintained a strong, productive, and customer service-oriented workforce
- Secured additional Title XVI Federal Grant Funding for Central Coast Blue
- Led the organization through COVID-19 emergency response and recovery

Work Program Highlights for Next Two-Year Budget

- **City Goals:** Implement Major City Goals and Priorities
- Continue California Cities involvement
- Continuous investment in City infrastructure
- Represent the City effectively on various regional boards and committees
- Enact state and federal legislative platforms
- **City Goal: Traffic, Circulation, & Parking** - Expand parking Inventory
- Continue to focus on cost-effective and efficient operations
- Develop new revenue opportunities
- **Work to accomplish progress and completion of City Council priority goals, including the City's Goals:**
  - **Water Supply, Conservation and Central Coast Blue**
  - **Public Safety**
  - **Traffic, Circulation, and Parking**
  - **Community Character and Quality of Life for Residents**
- Further develop meaningful and beneficial partnerships with other governmental, non-profit, and private entities
- Ambitiously pursue grant opportunities
- Enhance quality of life for residents
- Continue development of an entrepreneurial and service-oriented staff culture
- Protect the City's economy
- Increase citizen engagement and public information

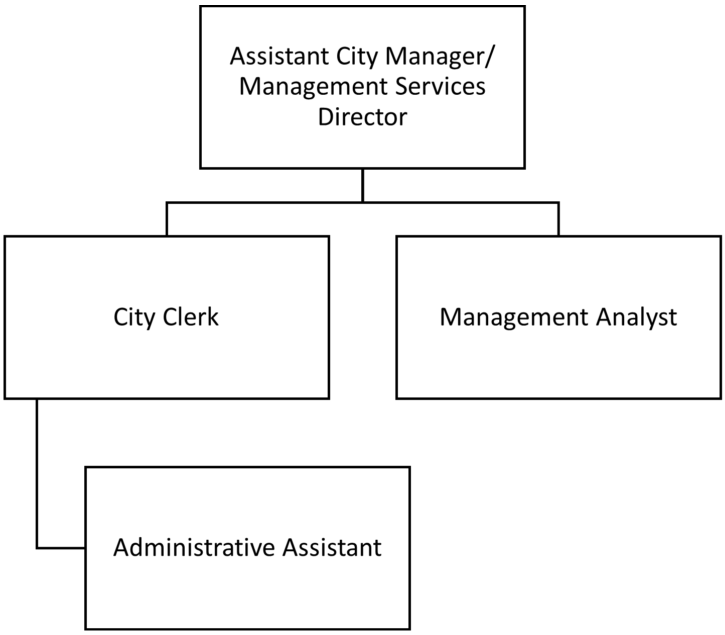
Management Services



Jorge Garcia
Assistant City Manager

The Management Services Department provides services to support internal and external resources, information and communications to citizens, City Council, and City staff. Specific services include oversight, consistency, customer service, and support for programs including: Human Resources and Staff Development, Risk Management and City Safety Programs, Public Outreach, Legislative Affairs, and Public Information. The City Clerk Division assures transparency, compliance with the Brown Act, Public Records Act, Maddy Act, Political Reform Act, and other codes (in cooperation with the City Attorney's Office). The City Clerk is the City's Elections Official, FPPC Filing Officer, Records Manager, and Advisory Body membership administrator.

Organizational Chart



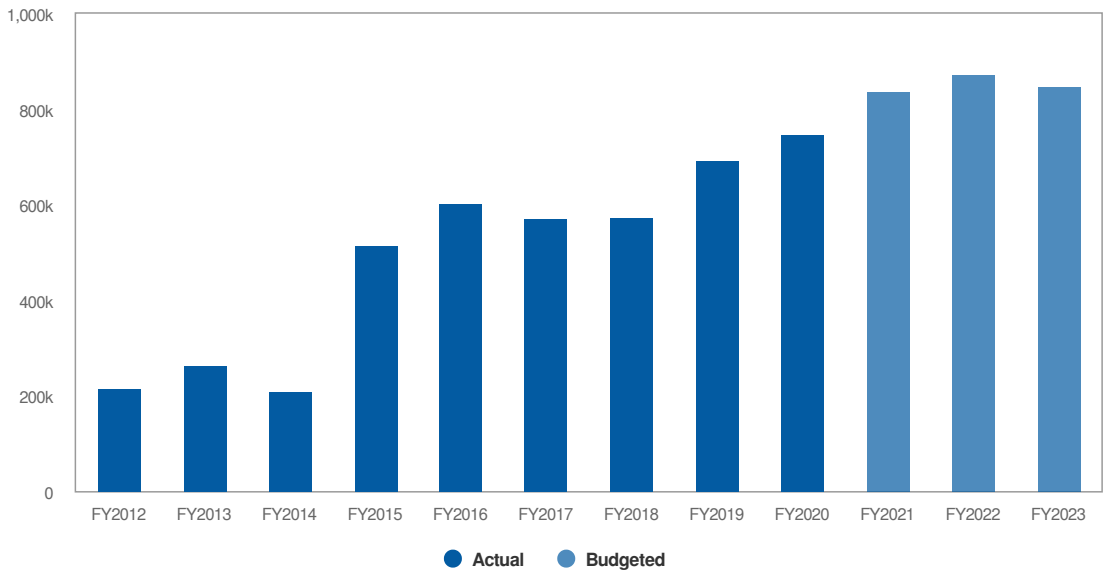
Staffing Levels

Fund, Department, Division	Positions	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
General Fund, Management Services, Human Resources	Assistant City Manager/ Management Services Director	1.00	1.00	1.00	1.00	1.00	1.00
General Fund, Management Services, Human Resources	Management Analyst	0.00	0.00	0.67	0.67	0.85	0.85
General Fund, Management Services, City Clerk	City Clerk	1.00	1.00	1.00	1.00	1.00	1.00
General Fund, Management Services, City Clerk	Deputy City Clerk	0.00	0.00	0.00	0.00	0.00	0.00
General Fund, Management Services, City Clerk	Administrative Assistant	1.00	1.00	1.00	1.00	0.80	0.80
General Fund, Management Services	**Management Services Department Total**	**3.00**	**3.00**	**3.67**	**3.67**	**3.65**	**3.65**

Expenditures Summary

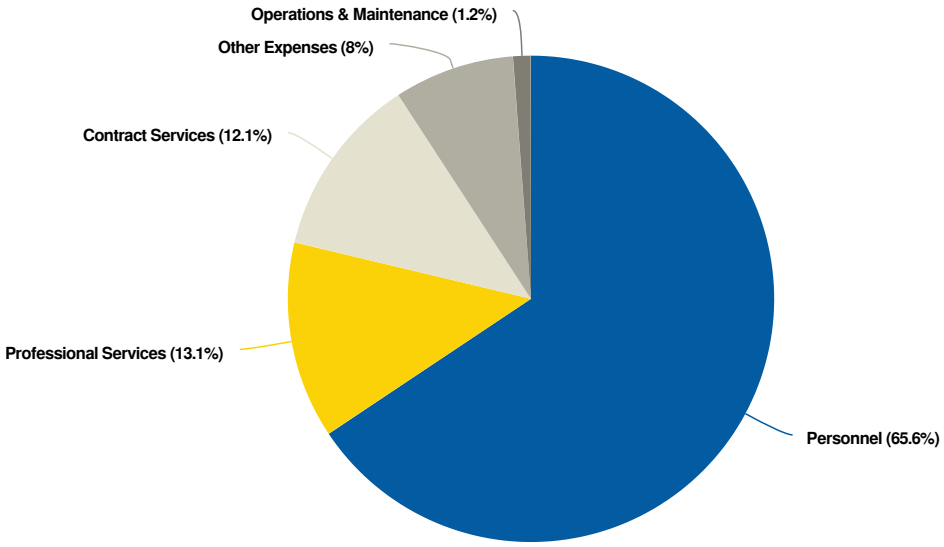
$874,144 $33,626
(4% vs. prior year)

Management Services Proposed and Historical Budget vs. Actual

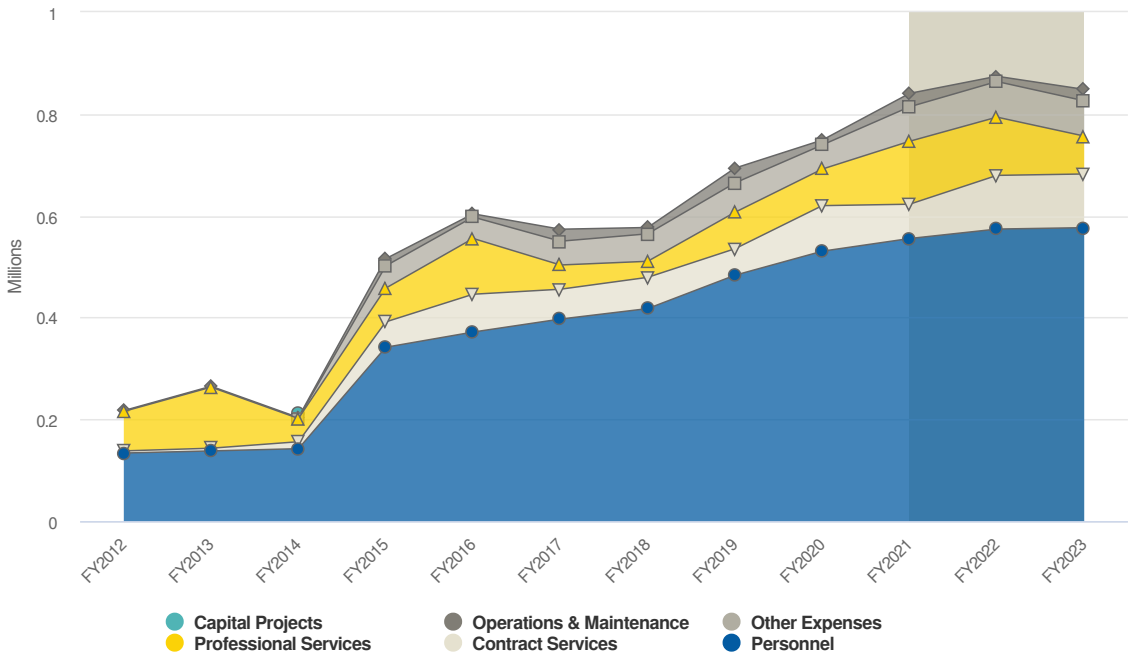


Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Expense Objects							
Personnel							
Salaries & Wages	$290,824	$330,718	$390,060	$402,846	$402,102	3.3%	-0.2%
Benefits	$126,725	$152,430	$165,197	$170,995	$174,505	3.5%	2.1%
Total Personnel:	**$417,549**	**$483,148**	**$555,257**	**$573,842**	**$576,607**	**3.3%**	**0.5%**
Professional Services	$31,562	$71,662	$123,700	$114,500	$74,500	-7.4%	-34.9%
Total Professional Services:	**$31,562**	**$71,662**	**$123,700**	**$114,500**	**$74,500**	**-7.4%**	**-34.9%**
Contract Services	$61,398	$52,046	$67,435	$105,492	$105,492	56.4%	0%
Total Contract Services:	**$61,398**	**$52,046**	**$67,435**	**$105,492**	**$105,492**	**56.4%**	**0%**
Operations & Maintenance	$12,466	$29,151	$26,361	$10,340	$22,440	-60.8%	117%
Total Operations & Maintenance:	**$12,466**	**$29,151**	**$26,361**	**$10,340**	**$22,440**	**-60.8%**	**117%**
Other Expenses	$53,970	$57,659	$67,765	$69,970	$69,274	3.3%	-1%
Total Other Expenses:	**$53,970**	**$57,659**	**$67,765**	**$69,970**	**$69,274**	**3.3%**	**-1%**
Total Expense Objects:	**$576,945**	**$693,666**	**$840,517**	**$874,144**	**$848,313**	**4%**	**-3%**

Accomplishments in Prior Two-Year Budget

- Completed the preliminary design for Old City Hall/future Public Safety Facility
- Completed the FY 2022 and FY 2023 Public Outreach program through the utilization of *Pismo Voice*, information sessions, and traditional mail-in responses
- Completed Risk Management project to update contract language in the City's templates to transfer risk and ensure compliance with legal requirements
- Developed Standard Operating Procedures for the human resource functions and trained new staff in implementation
- Conducted 2020 General Municipal Election, including a voter-approved ballot measure
- Updated the Advisory Body Handbook, Bylaws, and training to include new Council-adopted policies on training and attendance standards
- Negotiated successor Memorandum of Understanding with labor groups
- Redesigned the City's website for enhanced transparency and customer service

Work Program Highlights for Next Two-Year Budget

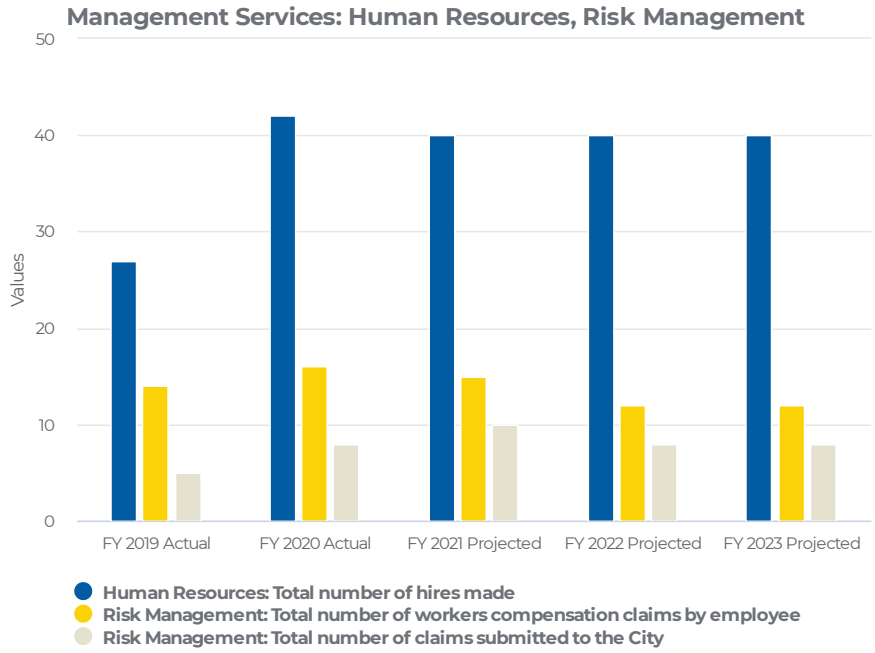
- Negotiate successor Memorandums of Understanding with both employee bargaining units and unrepresented employees
- Update City's Personnel Rules to reflect new laws and policies
- Evaluate and provide recommendations on the utilization of Channel 20 and development strategies for enhancements
- Complete aesthetic upgrades to Council Chamber
- Conduct 2022 General Municipal Election
- **City Goal: Public Safety** - Conduct a Request for Proposals for a Design/Build procurement of the Public Safety Facility construction
- Develop a supervisor and manager training program
- Continue paperless office strategy for human resource functions

Performance Measures: Human Resources Recruitment and Risk Management Workers Comp and City Claims

The Management Services Department's Human Resources Division strives to hire qualified employees each year to ensure the City's Goals can be achieved. **This performance measure contributes towards all four City Goals.** The number of hires made per year is dependent on multiple factors, including retention, retirements, and unemployment trends.

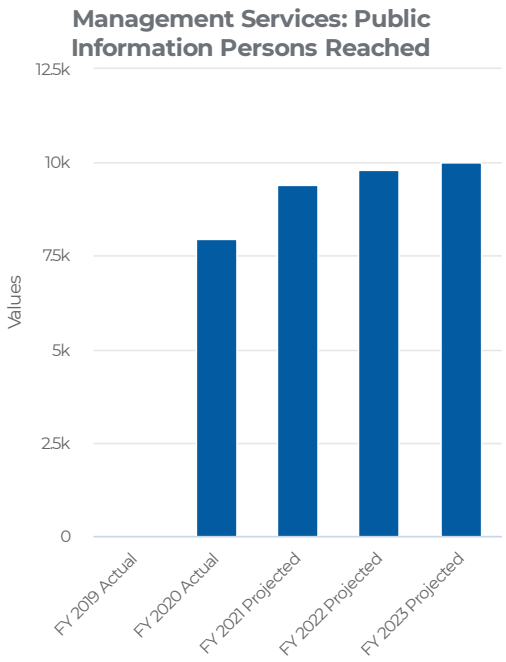
The Management Services Department's Risk Management program aims to maintain a healthy workforce by limited number of workplace injuries. **This performance measure contributes towards all four City Goals.**

The Management Services Department's Risk Management program also aims to limit the City's exposure to claims. This goal helps reduce the overall cost burden on the City's financial resources, while also helping identify any issues where claims are more frequent. **This performance measure contributes towards all four City Goals.**



Performance Measure: Public Information Persons Reached

The Management Services Department's Public Information program works to increase the engagement of the community through the use of various media outlets, including social media. The more engaged the public, the more input the Council and City staff have to help move the City toward developing sound City goals. This engagement also helps the community stay informed on various City projects and milestones. **This performance measure contributes towards all four City Goals.** This information comes from the total number of persons reached through Facebook, Twitter, and NextDoor.



Administrative Services



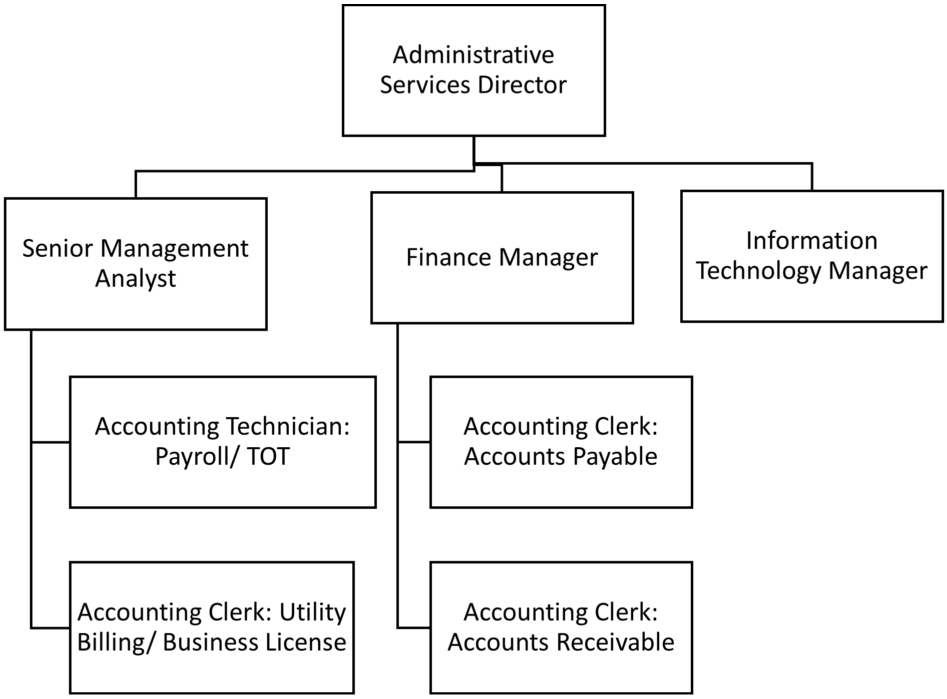
Nadia K. Feeser
Administrative Services Director / City Treasurer

The Administrative Services Department provides reliable and accurate fiscal information to the citizens, City Council, and management of the City of Pismo Beach in an efficient, cost-effective, and courteous manner. Specific services include accounts receivable, accounts payable, payroll, utility billing, business licenses, collection of TOT revenues and other revenues, investment of the City's idle cash, debt management, timely financial management and reporting, administration and preparation of the City's budget, and Information Technology systems planning, implementation, and management.

The Water and Wastewater billing activity accounts for staff, contract meter-reading and direct services and supplies related to water billings. Bills are sent to approximately half of the City's customers each month. This unit of the Administrative Services Department also handles public requests for new service and service shutoff. These costs are budgeted in the Water Enterprise Fund and the Wastewater Treatment Fund.

The Technology Service Fund includes the IT cost for the City. This division is part of the Administrative Services Department and is responsible for Information Systems implementation and management. Responsibilities include information security, monitoring contracted information technology (IT) services, overseeing IT infrastructure (data, telecommunications, radio, SCADA), managing technology projects and supporting all technology initiatives.

Organizational Chart



Staffing Levels

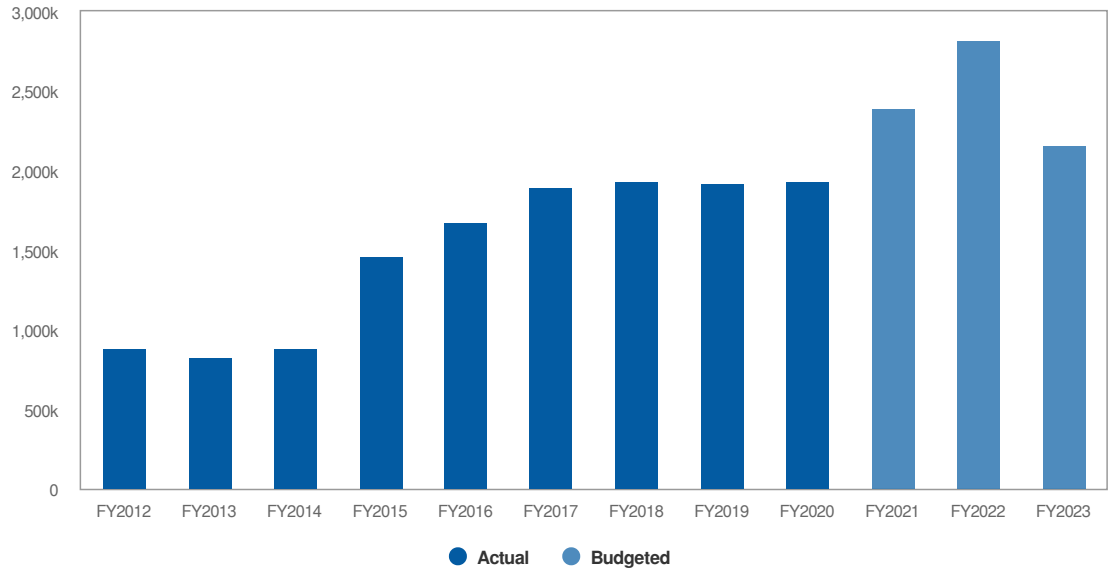
Fund, Department, Division	Positions	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Various Funds, Administrative Services, Finance	Administrative Services Director	1.00	1.00	1.00	1.00	1.00	1.00
General Fund, Administrative Services,	Finance Manager	1.00	1.00	1.00	1.00	1.00	1.00
Technology Service Fund, Administrative Services,	IT Manager	1.00	1.00	1.00	1.00	1.00	1.00
General Fund, Administrative Services,	Accounting Supervisor/ Sr Management Analyst	1.00	1.00	1.00	1.00	1.00	1.00
General Fund, Administrative Services,	Account Technician	1.00	1.00	1.00	1.00	1.00	1.00
General Fund, Administrative Services,	Accounting Clerk	1.00	1.00	1.00	1.00	2.00	2.00
Water & Wastewater Enterprise Funds,	Accounting Clerk	1.00	1.00	1.00	1.00	1.00	1.00
General Fund, Administrative Services, Finance	Office Assistant II	1.00	1.00	1.00	1.00	0.00	0.00
Various Funds, Administrative Services	**Administrative Services Department Total**	**8.00**	**8.00**	**8.00**	**8.00**	**8.00**	**8.00**

Expenditures Summary

$2,819,739 $427,391

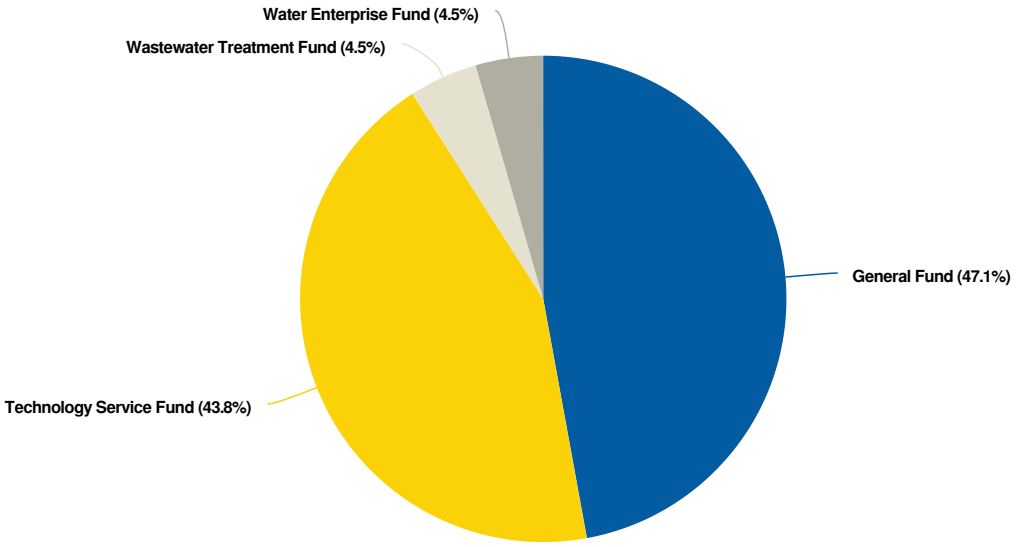
(17.86% vs. prior year)

Administrative Services Proposed and Historical Budget vs. Actual

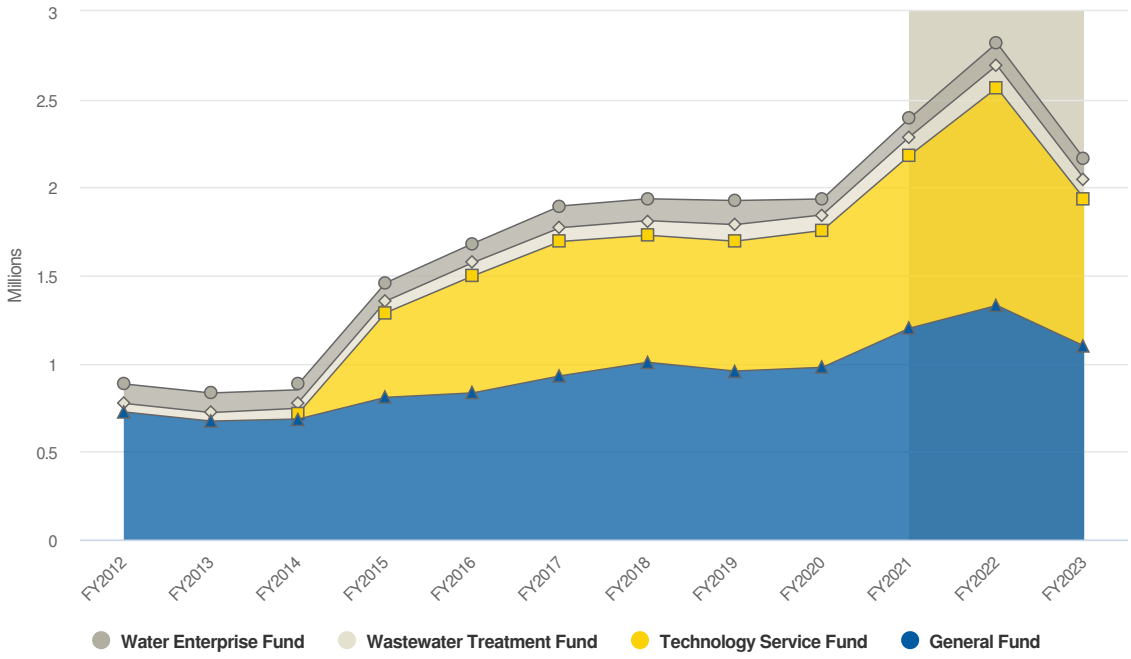


Expenditures by Fund

2022 Expenditures by Fund



Budgeted and Historical 2022 Expenditures by Fund



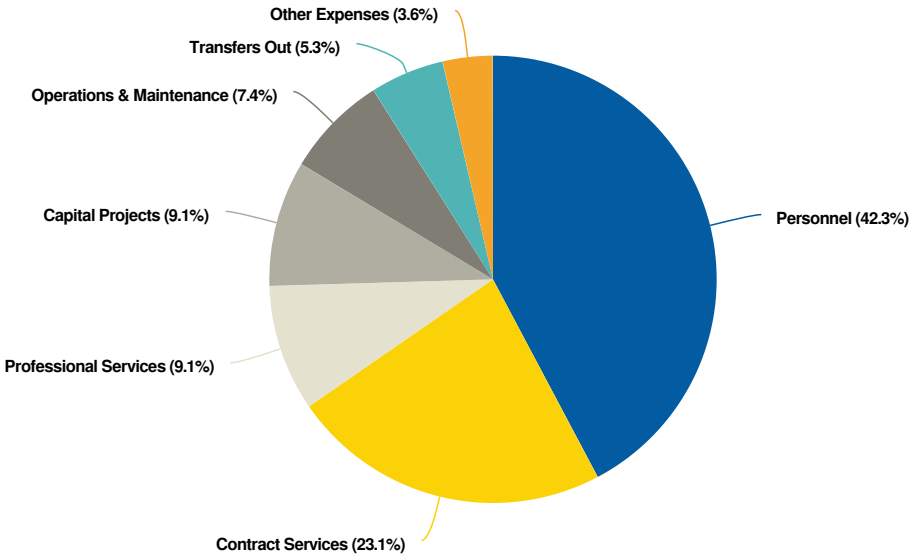
Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)

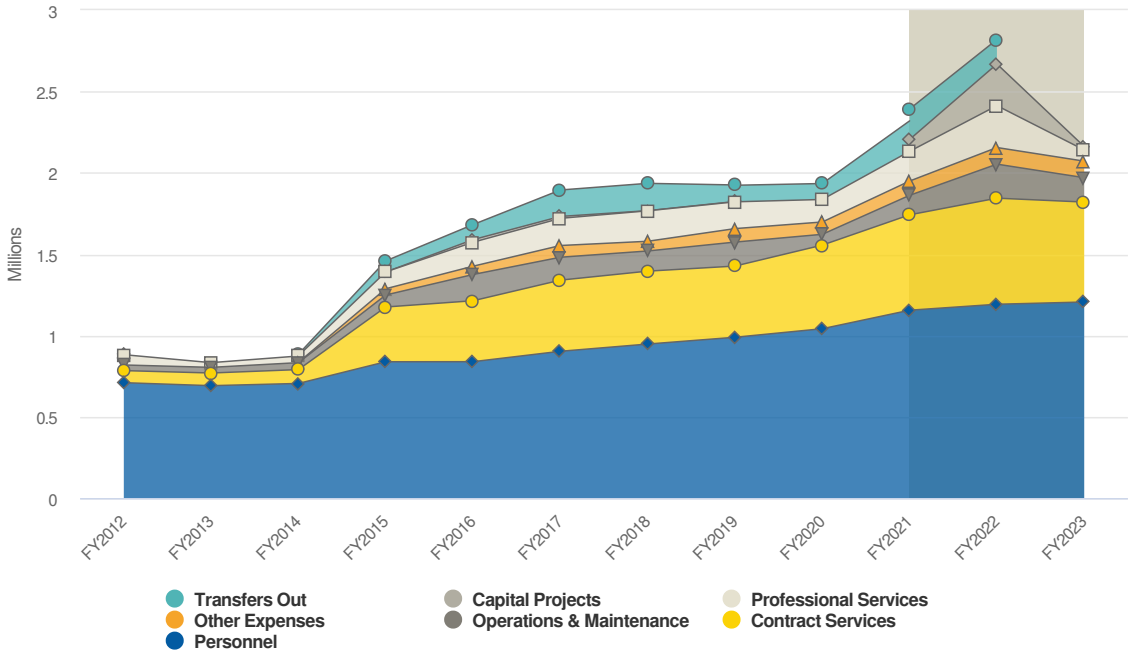
Name	FY2018 Actual	FY2019 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
General Fund							
Personnel	$731,424	$746,180	$893,779	$909,822	$937,105	1.8%	3%
Professional Services	$56,937	$50,295	$14,000	$138,401	$14,400	888.6%	-89.6%
Contract Services	$16,132	$11,772	$14,652	$39,364	$39,364	168.7%	0%
Operations & Maintenance	$24,193	$28,713	$14,355	$15,671	$15,671	9.2%	0%
Other Expenses	$43,642	$46,928	$79,799	$92,517	$92,064	15.9%	-0.5%
Transfers Out	$134,301	$72,898	$183,590	$133,528	$0	-27.3%	-100%
Total General Fund:	**$1,006,629**	**$956,786**	**$1,200,175**	**$1,329,303**	**$1,098,604**	**10.8%**	**-17.4%**
Water Enterprise Fund							
Personnel	$37,421	$47,152	$49,744	$58,181	$51,149	17%	-12.1%
Professional Services	$16,723	$20,709	$9,682	$7,200	$7,200	-25.6%	0%
Contract Services	$40,320	$41,380	$37,485	$45,678	$46,378	21.9%	1.5%
Operations & Maintenance	$8,783	$9,155	$2,614	$2,772	$3,127	6%	12.8%
Other Expenses	$2,247	$2,410	$3,962	$4,849	$4,815	22.4%	-0.7%
Transfers Out	$18,620	$15,958	$1,868	$8,173	$0	337.5%	-100%
Total Water Enterprise Fund:	**$124,113**	**$136,764**	**$105,355**	**$126,853**	**$112,669**	**20.4%**	**-11.2%**
Wastewater Treatment Fund							
Personnel	$37,421	$47,151	$49,744	$58,181	$51,149	17%	-12.1%
Professional Services	$16,723	$20,709	$9,682	$7,200	$7,200	-25.6%	0%
Contract Services	$2,460	$2,310	$37,485	$45,678	$46,378	21.9%	1.5%
Operations & Maintenance	$8,783	$8,575	$2,614	$2,772	$3,127	6%	12.8%
Other Expenses	$2,247	$2,410	$3,965	$4,849	$4,815	22.3%	-0.7%
Transfers Out	$15,229	$13,042	$1,883	$9,068	$0	381.6%	-100%
Total Wastewater Treatment Fund:	**$82,863**	**$94,197**	**$105,373**	**$127,748**	**$112,669**	**21.2%**	**-11.8%**
Technology Service Fund							
Personnel	$140,511	$148,090	$161,606	$165,354	$166,011	2.3%	0.4%
Professional Services	$96,950	$72,968	$149,378	$104,800	$39,800	-29.8%	-62%
Contract Services	$389,462	$382,358	$497,038	$521,720	$482,465	5%	-7.5%
Operations & Maintenance	$82,175	$100,983	$100,327	$187,960	$127,960	87.3%	-31.9%
Other Expenses	$11,622	$31,169	$0	$0	$0	0%	0%
Capital Projects	$720	$1,856	$73,096	$256,000	$21,000	250.2%	-91.8%
Total Technology Service Fund:	**$721,441**	**$737,424**	**$981,445**	**$1,235,834**	**$837,236**	**25.9%**	**-32.3%**
Total:	**$1,935,045**	**$1,925,171**	**$2,392,348**	**$2,819,739**	**$2,161,177**	**17.9%**	**-23.4%**

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Expense Objects							
Personnel							
Salaries & Wages	$656,157	$677,821	$700,170	$715,213	$725,670	2.1%	1.5%
Benefits	$290,619	$310,753	$454,702	$476,326	$479,743	4.8%	0.7%
Total Personnel:	**$946,776**	**$988,574**	**$1,154,872**	**$1,191,539**	**$1,205,413**	**3.2%**	**1.2%**
Professional Services	$187,333	$164,681	$182,743	$257,601	$68,600	41%	-73.4%
Total Professional Services:	**$187,333**	**$164,681**	**$182,743**	**$257,601**	**$68,600**	**41%**	**-73.4%**
Contract Services	$448,373	$437,820	$586,660	$652,440	$614,585	11.2%	-5.8%
Total Contract Services:	**$448,373**	**$437,820**	**$586,660**	**$652,440**	**$614,585**	**11.2%**	**-5.8%**
Operations & Maintenance	$123,934	$147,426	$119,910	$209,175	$149,885	74.4%	-28.3%
Total Operations & Maintenance:	**$123,934**	**$147,426**	**$119,910**	**$209,175**	**$149,885**	**74.4%**	**-28.3%**
Other Expenses	$59,757	$82,916	$87,726	$102,215	$101,694	16.5%	-0.5%
Total Other Expenses:	**$59,757**	**$82,916**	**$87,726**	**$102,215**	**$101,694**	**16.5%**	**-0.5%**
Capital Projects	$720	$1,856	$73,096	$256,000	$21,000	250.2%	-91.8%
Total Capital Projects:	**$720**	**$1,856**	**$73,096**	**$256,000**	**$21,000**	**250.2%**	**-91.8%**
Transfers Out	$168,151	$101,899	$187,341	$150,769	$0	-19.5%	-100%
Total Transfers Out:	**$168,151**	**$101,899**	**$187,341**	**$150,769**	**$0**	**-19.5%**	**-100%**
Total Expense Objects:	**$1,935,045**	**$1,925,171**	**$2,392,348**	**$2,819,739**	**$2,161,177**	**17.9%**	**-23.4%**

Accomplishments in Prior Two-Year Budget

Finance Division

- City Council and City staff achieved a fiscally-sound two-year Budget for FY 2020 and FY 2021. The FY 2020 & FY 2021 Adopted Budgets marks the third time the City received the "Distinguished Budget Presentation Award" from the Government Finance Officers Association (GFOA) of the United States and Canada. The City also received the "Operating Budget Excellence Award" from the California Society of Municipal Finance Officers for the FY 2020 & FY 2021 Adopted Budgets
- The City Council and City staff maintained the City's General Fund reserves at 25% of General Fund operating budget expenses. In addition, the General Fund fully contributed to the Risk Management Reserve that has a balance of $250,000. The City maintained the City Facility Reserve of $500,000, and fully funded a 3% General Fund Contingency Budget
- The Administrative Services Department received the prestigious "Certificate of Achievement for Excellence in Financial Reporting" by the Government Finance Officers Association (GFOA) of the United States and Canada to government units whose Comprehensive Annual Financial Reports (CAFRs) achieved the highest standards in government accounting and financial reporting for FY 2019 and FY 2020. This marks the 19th year in a row that the City has received this award
- Updated the Governmental Accounting Standards Board (GASB) measures into the City's Comprehensive Annual Financial Reports, for Accounting and Financial Reporting
- Monitored the City's cash flow with large capital project budgets including the Pier Rehabilitation Project, the Shell Beach Streetscape Project, the Central Coast Blue Project, the Five Cities Lift Station project, the Sludge Dewatering Project, and the Price Canyon Project
- Achieved compliance with GASB 45 for OPEB, to pre-fund retiree health costs for retirees and their beneficiaries
- Monitor the City's cash flow with large capital project budgets including the Pier Plaza/Pier Restrooms Upgrade Project, the Shell Beach Streetscape Project, the Central Coast Blue Project, the Five Cities Lift Station project, and the Sludge Dewatering Project
- Updated the City's Purchasing Policy to reflect new processes as implemented through updated workflow and automated procedures
- Maintained compliance with various federal and state agencies for the City's debt portfolio and investment practice

Technology Division

- Implemented a new City-wide surveillance system for the Police Department, including the Police Station and the Pier and Pier Plaza areas
- Upgraded the Microsoft Office applications on all City workstations and deployed OneDrive as a cloud-based file storage system
- Moved several Departments to SharePoint
- Implemented Microsoft Teams as the City's primary phone system
- Replaced the network switch stack at City Hall
- Continued to improve the automation of the City's paperless workflows by adding integrations to other City applications
- Provided IT training including Microsoft Office, Laserfiche, and cybersecurity
- Provided for annual computer workstation replacements

Work Program Highlights for Next Two-Year Budget

Finance Division

- Administer a fiscally-sound two-year Budget maintaining the General Fund Reserve at 25% of General Fund operating budget expenses, maintaining the $250,000 Risk Management Reserve, maintaining the City Facility Reserve of $500,000, and fully funding the 4% General Fund Contingency Budget. The FY 2022 and FY 2023 reflect a 4% General Fund Contingency Budget to support unanticipated costs associated with several large General Fund-supported projects
- Develop and provide trainings related to finance for all City staff, including holding training sessions, developing a training manual, and creating financial how-to videos
- Work with Planning Division staff to develop procedures for vacation rental and STR certificates and compliance
- Move toward electronic timesheets, seeking vendors that will integrate with the City's financial system and meet City departmental needs
- Conduct a TOT/LBID/TMD audit, including issuing a request for proposal, selecting a consultant, auditing the various lodging properties to ensure compliance with the City's TOT and LBID ordinances, report findings, and collecting funds if needed
- Update the City's user fees and cost allocation, including issuing a request for proposal, selecting a consultant, conducting a fee study, holding a public hearing, and implementing the new fees

Technology Division

- Purchase new Microsoft licensing for Windows Servers, Updating all Windows Servers to supported Operating System version
- Replace City Hall security cameras, interconnecting City Hall cameras with Police Department's security camera system
- **City Goal: Public Safety** - Negotiate radio system support contract. Response time in 4 hours
- **City Goal: Public Safety** - Design plan to reduce single points of failure in the City's radio system. Install planned-for equipment. Purchase onsite spare equipment for critical components
- Install auditing software for active directory auditing
- **City Goal: Water Supply, Conservation, and Central Coast Blue** - Cybersecurity measures - integrity of the wireless radio is maintained, could put ph probe on water line, part of SCADA system and trigger alarm that water quality acidity or base is incorrect. Then, change the mix of City's water supply
- Create a new Five-Year Information Technology Strategic Plan and IT Assessment
- Provide annual security training and make available other software/database application training
- Complete the decommissioning of the wIntegrate system

Performance Measure: Financial Reporting and Timely Payments

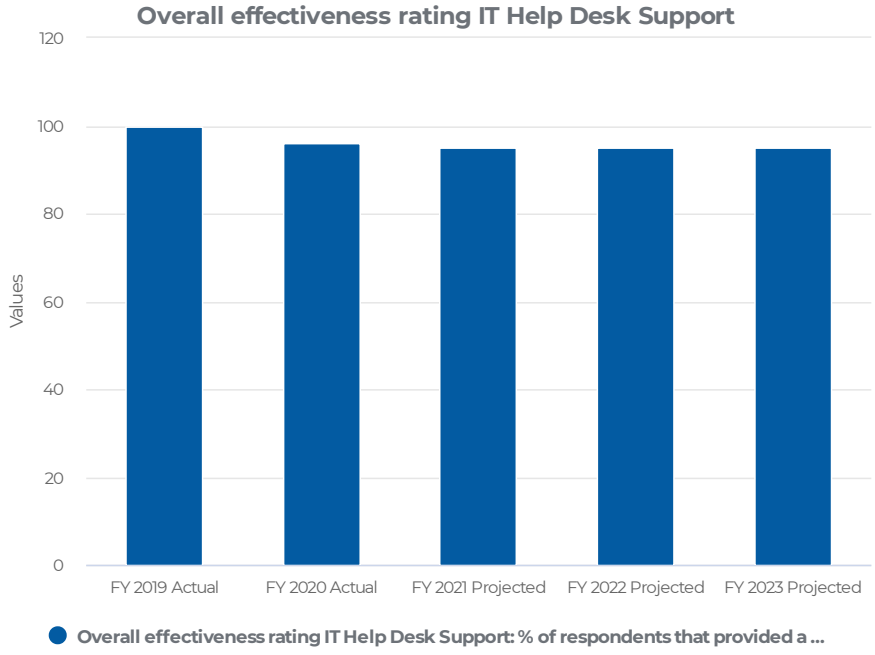
The Administrative Services Department's Finance Division strives to ensure public trust in handling the City's finances by providing transparency with its financial reporting. The City prepares the Comprehensive Annual Financial Statements each year in compliance with the Government Finance Officers Association (GFOA) Excellence in Financial Reporting each year. This reporting includes information so that the reader has consistent information across various agencies to assess the financial situation of agencies, as well as provide a transparent record of the City's finances. The Finance Division aims to receive the GFOA award each year to build that public trust and ensure transparency. **This performance measure contributes towards all four City Goals.**

The Finance Division also works to maintain a turnaround of scheduling invoice payments within 5 business days after Departments have submitted invoices to the Finance Division. This performance measure builds public trust as it provides the City's vendors with a reliable business partner when carrying out the City's business and implementing public projects. **This performance measure contributes towards all four City Goals.**

Objective	FY 2019 Actual	FY 2020 Actual	FY 2021 Projected	FY 2022 Projected	FY 2023 Projected
Receive the Government Finance Officers Association (GFOA) award for achievement in financial reporting for the City's Comprehensive Annual Financial Statements	yes	yes	yes	yes	yes
Maintain turnaround of scheduling invoice payments within 5 business days after departments have submitted invoices	yes	yes	yes	yes	yes

Performance Measure: Overall Effectiveness of IT Help Desk Support

The Administrative Services Department's IT Division supports the efforts by City employees to achieve the City's goals. In order to determine if the City's IT Division is effective at resolving issues, the City conducts an annual survey of all employees on the City's IT Help Desk. The following chart measures the overall effectiveness rating of the IT Help Desk Support, looking at the percentage of respondents that provided a "Very Satisfied" or "Satisfied" rating with the overall effectiveness of the City's IT help desk. As a support division, **this goal contributes towards all four City Goals.**



Tourism & Events



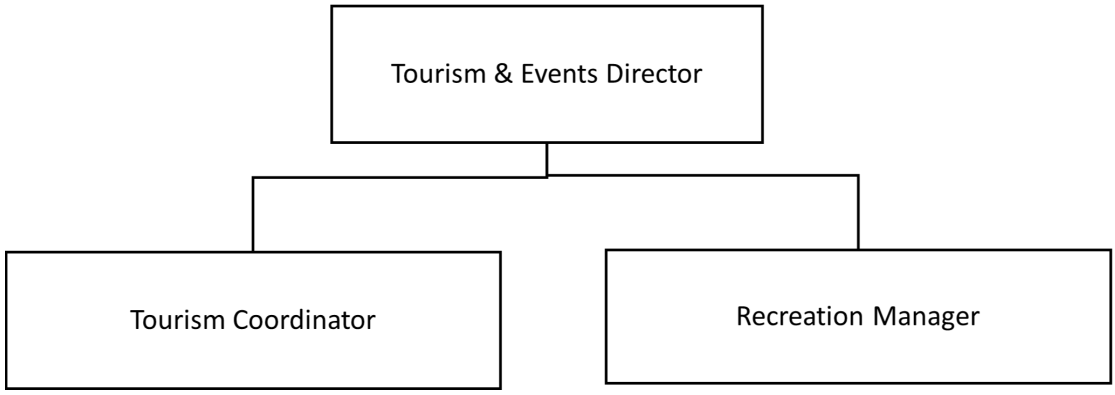
Gordon Jackson
Tourism & Events Director

The Tourism & Events Department (TED) promotes tourism to Pismo Beach and provides recreational opportunities for residents. The TED includes both the Conference and Visitors Bureau (CVB) Division and the Recreation Division.

CVB promotes tourism to Pismo Beach to enhance the City's General Fund Revenue through increased TOT and, to a lesser, but significant extent, sales tax revenues. The CVB's mission is to increase overnight visitorship and visitor expenditures, with emphasis on mid-week and off-season tourism. With advice from the five-member Conference & Visitors Bureau Board of Directors and the Division's contract advertising agency, program efforts emphasize social media and digital media advertising with supplemental efforts in periodical media advertising in all core market regions and new market areas; increasing traffic and lodging referrals through the tourism website; participation in consumer and industry trade shows; administration of the contract under which the Visitors Information Center is operated; development and maintenance of ongoing relations with travel writers, tour operators and media representatives; and preparation of print and digital collateral materials (visitor guides, brochures, and flash drives) for distribution through the Visitors Information Centers, at trade shows, during familiarization, or FAM, trips, and any other channels.

The Recreation Division is responsible for the administration of recreation classes offered by private instructors and the coordination of several City-sponsored special events including the Easter Egg Hunt, Pumpkins in the Park, and Holiday Harmony among others. The Division is also responsible for the highly-regarded and acclaimed beach volleyball program. This program is supported, in large measure, by participant registration fees. Another responsibility of this division is the coordination of facility rentals including the Veterans' Memorial Building, Shell Beach Veterans' Hall, Margo Dodd Park, and Dinosaur Caves Park.

Organizational Chart



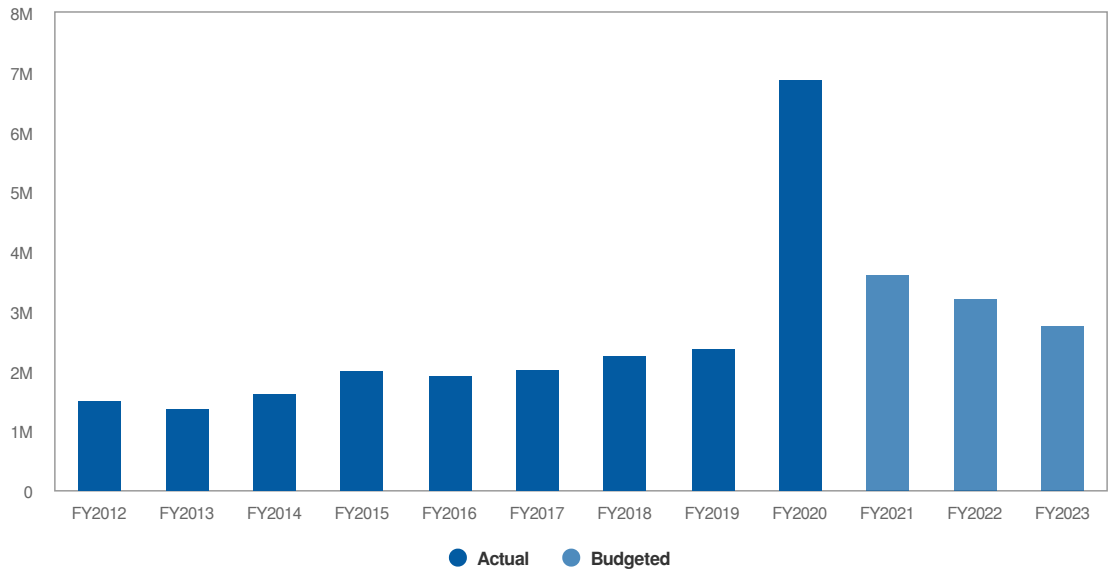
Staffing Levels

Fund, Department, Division	Positions	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
General Fund, Tourism & Events, Conference & Visitors Bureau/Recreation	Tourism & Events Director	0.00	0.00	1.00	1.00	1.00	1.00
General Fund, Tourism & Events, Conference &	CVB Director	1.00	1.00	0.00	0.00	0.00	0.00
General Fund, Tourism & Events, Conference &	CVB Tourism Coordinator	1.00	1.00	1.00	1.00	1.00	1.00
General Fund, Tourism & Events, Recreation	Recreation Manager	0.00	0.00	0.00	0.00	1.00	1.00
General Fund, Tourism & Events	**Tourism & Events Department Total**	**2.00**	**2.00**	**2.00**	**2.00**	**3.00**	**3.00**

Expenditures Summary

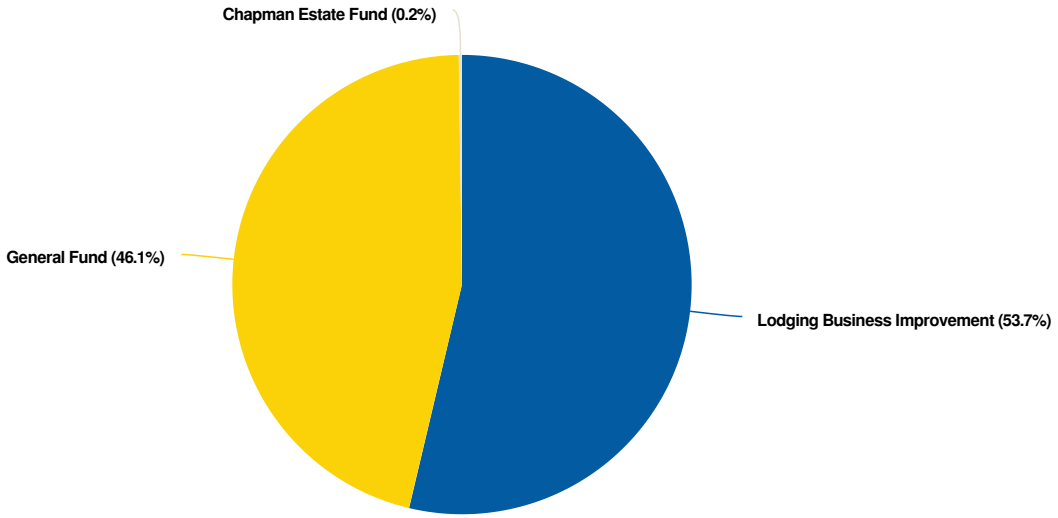
$3,214,615 -$416,415
(-11.47% vs. prior year)

Tourism & Events Proposed and Historical Budget vs. Actual

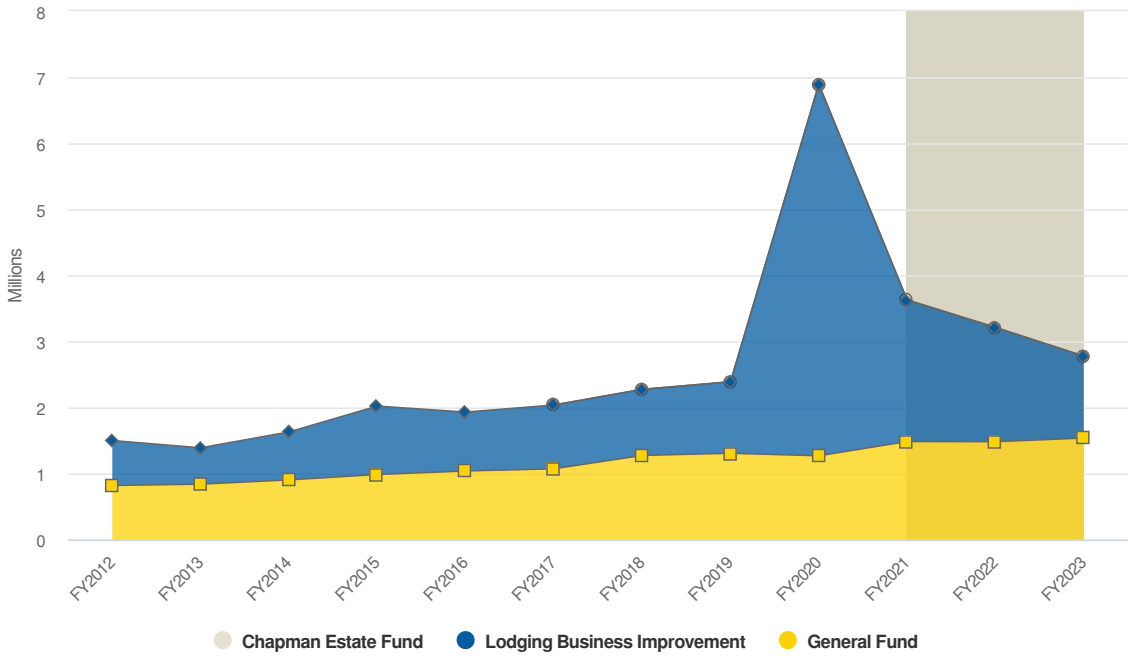


Expenditures by Fund

2022 Expenditures by Fund



Budgeted and Historical 2022 Expenditures by Fund



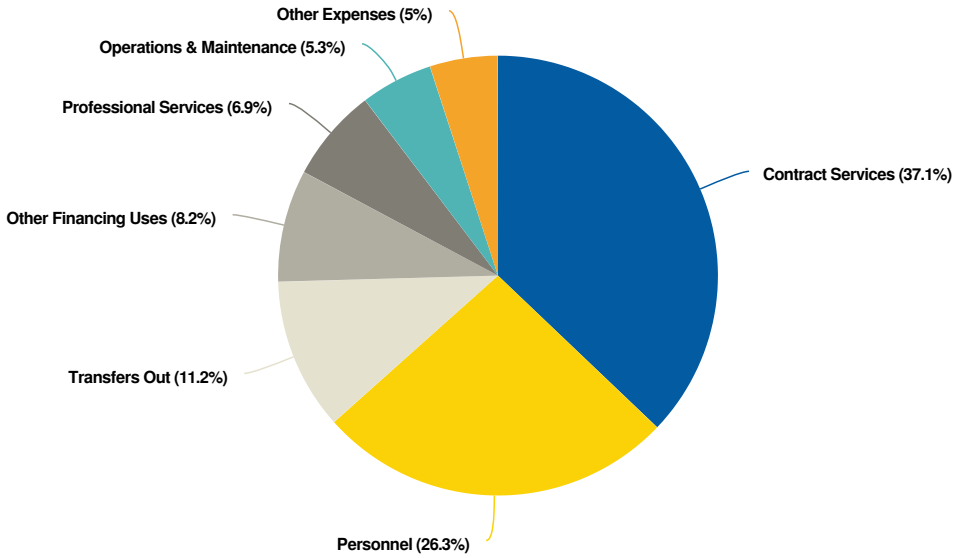
Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)

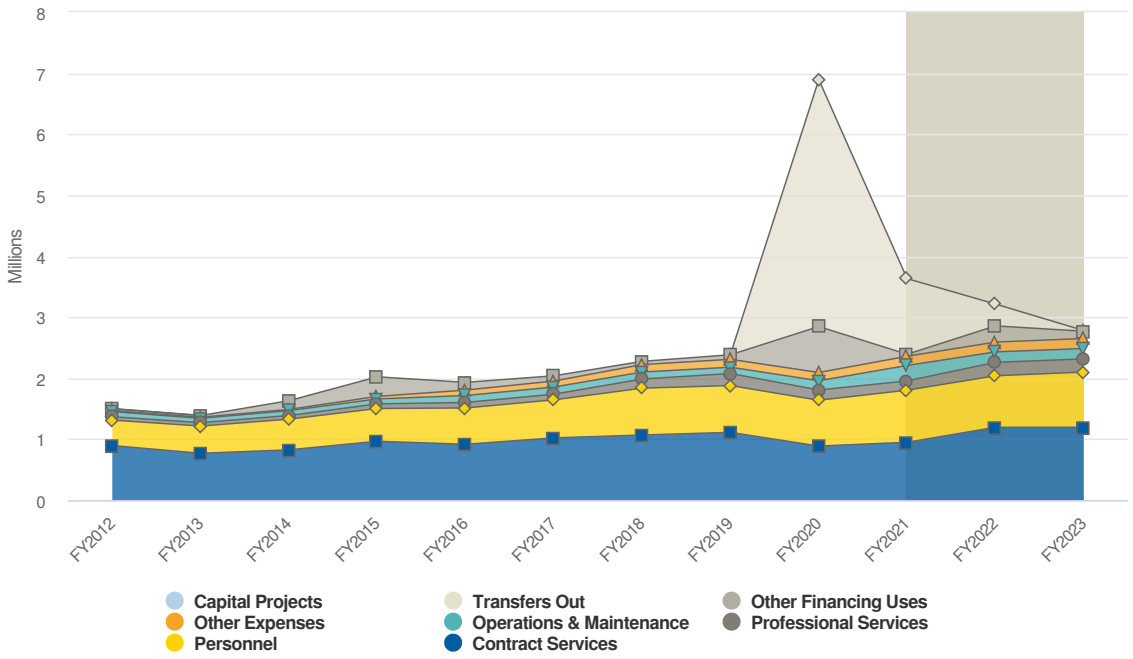
Name	FY2018 Actual	FY2019 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
General Fund							
Personnel	$731,301	$733,353	$813,035	$803,359	$864,558	-1.2%	7.6%
Professional Services	$70,916	$117,703	$67,371	$131,657	$125,957	95.4%	-4.3%
Contract Services	$278,923	$268,670	$264,785	$296,015	$295,915	11.8%	0%
Operations & Maintenance	$111,832	$102,670	$250,526	$168,347	$168,441	-32.8%	0.1%
Other Expenses	$57,904	$61,471	$76,250	$82,101	$81,109	7.7%	-1.2%
Other Financing Uses	$22,000	$22,350	$0	$0	$0	0%	0%
Transfers Out	$0	$0	$11,783	$0	$0	-100%	0%
Total General Fund:	**$1,272,875**	**$1,306,218**	**$1,483,750**	**$1,481,479**	**$1,535,980**	**-0.2%**	**3.7%**
Lodging Business Improvement							
Personnel	$35,545	$30,467	$34,618	$34,618	$34,618	0%	0%
Professional Services	$78,912	$79,511	$84,816	$89,350	$89,350	5.3%	0%
Contract Services	$787,955	$841,466	$682,806	$897,400	$897,400	31.4%	0%
Operations & Maintenance	$2,207	$712	$2,300	$2,300	$2,300	0%	0%
Other Expenses	$64,764	$68,172	$75,159	$78,917	$82,863	5%	5%
Other Financing Uses	$31,171	$52,205	$33,000	$265,000	$120,000	703%	-54.7%
Transfers Out	$0	$8,246	$1,227,918	$358,888	$10,664	-70.8%	-97%
Total Lodging Business Improvement:	**$1,000,554**	**$1,080,780**	**$2,140,618**	**$1,726,473**	**$1,237,195**	**-19.3%**	**-28.3%**
Chapman Estate Fund							
Personnel	$1,379	$3,883	$6,662	$6,662	$6,662	0%	0%
Total Chapman Estate Fund:	**$1,379**	**$3,883**	**$6,662**	**$6,662**	**$6,662**	**0%**	**0%**
Total:	**$2,274,809**	**$2,390,881**	**$3,631,029**	**$3,214,615**	**$2,779,837**	**-11.5%**	**-13.5%**

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Expense Objects							
Personnel							
Salaries & Wages	$615,597	$604,484	$655,399	$644,632	$690,403	-1.6%	7.1%
Benefits	$152,627	$163,219	$198,915	$200,007	$215,435	0.5%	7.7%
Total Personnel:	**$768,224**	**$767,704**	**$854,315**	**$844,640**	**$905,838**	**-1.1%**	**7.2%**
Professional Services	$149,829	$197,214	$152,188	$221,007	$215,307	45.2%	-2.6%
Total Professional Services:	**$149,829**	**$197,214**	**$152,188**	**$221,007**	**$215,307**	**45.2%**	**-2.6%**
Contract Services	$1,066,878	$1,110,136	$947,591	$1,193,415	$1,193,315	25.9%	0%
Total Contract Services:	**$1,066,878**	**$1,110,136**	**$947,591**	**$1,193,415**	**$1,193,315**	**25.9%**	**0%**
Operations & Maintenance	$114,039	$103,382	$252,826	$170,647	$170,741	-32.5%	0.1%
Total Operations & Maintenance:	**$114,039**	**$103,382**	**$252,826**	**$170,647**	**$170,741**	**-32.5%**	**0.1%**
Other Expenses	$122,668	$129,643	$151,409	$161,018	$163,972	6.3%	1.8%
Total Other Expenses:	**$122,668**	**$129,643**	**$151,409**	**$161,018**	**$163,972**	**6.3%**	**1.8%**
Other Financing Uses	$53,171	$74,555	$33,000	$265,000	$120,000	703%	-54.7%
Total Other Financing Uses:	**$53,171**	**$74,555**	**$33,000**	**$265,000**	**$120,000**	**703%**	**-54.7%**
Transfers Out	$0	$8,246	$1,239,701	$358,888	$10,664	-71.1%	-97%
Total Transfers Out:	**$0**	**$8,246**	**$1,239,701**	**$358,888**	**$10,664**	**-71.1%**	**-97%**
Total Expense Objects:	**$2,274,809**	**$2,390,881**	**$3,631,029**	**$3,214,615**	**$2,779,837**	**-11.5%**	**-13.5%**

Accomplishments in Prior Two-Year Budget

Tourism Division

- Collaborated with TJA Advertising to produce and air a virtual Clam Festival
- Managed and executed City of Pismo Beach 75th Anniversary event
- Placed converted airstreams on the pier. Worked with Sheldon and Appiano families to create the new Bait Shack and Sunset food trucks. Created and staffed Visitor Information Kiosk for guest service
- Trained and developed the TED staff to accomplish 2020-2021 goals by separating responsibilities, planning, and organizing all activities leading up to the events
- Continued with Special Event Committee administrative functions and Chair position as well as TED Advisory Committee meetings
- Identified Legacy Events as a tool to schedule events that benefit our residents, staffing and brand
- Wrote new guidelines on approving and denying Special Events
- Increased market research through use of weekly and monthly STR Reports and continued website and social media analysis. Ran cooperative research with SLO CAL Oxford Economics
- Participated in tourism trade shows where we represented Pismo Beach, including International POW WOW, Go West Summit, San Diego Travel & Adventure Shows, Visit California Summit CXL and Destination International's Certified Destination Marketing Executive training
- Participated in gaining the support of an additional 1% LBID assessment funding to help finish the Pismo Preserve and other tourism enhancement infrastructure for the City
- Improved the promotional event funding application process and sponsorship tier levels, focusing on off-season events that benefit LBID
- Worked with City Manager on TOT increase advocacy
- Hired and coordinated Clam painters for Clam Island and Highway 1 Clams

Recreation Division

- Provided high-quality recreation programs throughout the community that are fun, educational, accessible, and safe for people of all ages and abilities
- Successful recreation programming and events for FY/2020. All recreational programming prior to COVID-19 were at maximum capacity. These programs included Pumpkins in the Park, Holiday Harmony, Father Daughter Dance, and spring/ summer programming. Outdoor programming for youth/adults began in June
- Adapted FY 2021 recreational special events to keep the community involved even with COVID-19 restrictions. Events included Virtual Pumpkin Decorating Contest, Holiday Harmony Jingle Express Drive-Thru, Virtual Father/Daughter Dance Competition, Egg-citing Egg Decorating Contest and Community Art in the Park
- Recreation continued programming during COVID-19 which included adult outdoor fitness and youth camps such as art, volleyball, surf, ocean adventure, ocean explorer, baseball, tennis, pickleball, and ceramics
- Recreation completed renovation of pickleball/tennis courts at Palisades complex
- Administered Public Art Program throughout the city; included Shell Beach Streetscape Mosaics, Stop Sign Poles, Utility Boxes, Pismo Plaza Mosaic Murals, etc
- Oversaw PRBC commission, which currently worked on all completed public art projects as well as proposed planned projects

Work Program Highlights for Next Two-Year Budget

Tourism Division

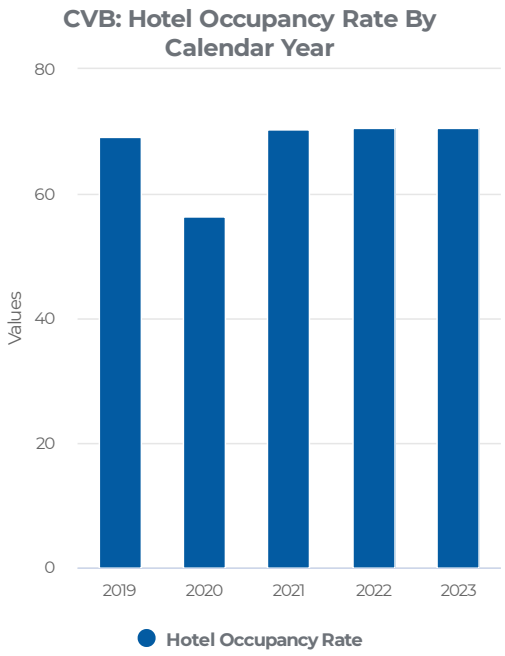
- Complete Certified Destination Management Executive program
- Continue to participate in tourism trade shows and represent Pismo Beach, including International POW WOW Las Vegas, Go West Summit Portland, Visit CA Summit and Visit CA Media Events
- Team up with TJA advertising for our 2021-2022 campaign; Promote the Drive is on to Pismo Beach. Work with the TMD SLO CAL on cooperative advertising tying into Visit California's California Road trip. Continue the #MyPISMOBEACH campaign by creating a video highlighting our three targeted demographics and updating the TED website and the billboard on Highway 101 marketing our pier and special events
- Continue to oversee the Special Events Committee, streamline efforts where possible, annually evaluate the application process and fee schedule, and work with event organizers to see how the TED can partner and promote events that have a positive impact on our residents, staff, and our brand
- Maximize stakeholder satisfaction with TED and the City by communicating quarterly on upcoming events, posting offseason specials, partnership opportunities and on any items that may have an impact on local business
- Maintain a presence with local, regional, state, national and international organizations and maximize networking benefits with Pismo Beach Chamber of Commerce, SLO CAL, Central Coast Tourism Council, Visit California, California Lodging Industry Association, US Travel (ESTO) and Destination International
- Continue management and oversight of City Recreation and Visitor Events. Work closely with Recreation Supervisor to provide support and leadership
- Develop staff in their abilities to manage multiple tasks, expand their roles and provide a positive team-oriented leadership approach

Recreation Division

- **City Goal: Community Character and Quality of Life for Residents** - Be the leader for healthy living in our community by creating physical activity and play opportunities for Recreation
- **City Goal: Community Character and Quality of Life for Residents** - Continue to provide high-quality recreation programs throughout the community that are fun, educational, accessible, and safe for people of all ages and abilities
- **City Goal: Community Character and Quality of Life for Residents** - Evaluate the needs and effectiveness of programs through surveys and evaluation forms to identify community interests relating to programs, services, and new opportunities
- **City Goal: Community Character and Quality of Life for Residents** - Continue to create public art opportunities throughout the community and continue to develop a clear structure for implementation of the Public Art Master Plan between internal departments. Establish a funding source for the Public Art Program that would not only allow for new projects but maintenance also
- **City Goal: Community Character and Quality of Life for Residents** - Complete the following public art projects: Bello St. Bridge, St. Jude's Tunnel, Palisades Basketball Court Mural, additional Utility Boxes throughout Shell Beach Streetscape
- Complete inventory assessment of current adopt-a-bench program. Establish with public works a replacement schedule
- Expand recreational programming throughout the community
- **City Goal: Community Character and Quality of Life for Residents** - ACTIVE – complete active registration/software training on updating existing programs and adding facility module
- Develop and implement effective marketing strategies to build awareness of programs and events and the benefits of parks and recreation
- **City Goal: Community Character and Quality of Life for Residents** - Assess the needs of parks and facilities, continue to complete CIP for new playgrounds at Palisades, Chumash, Highland, Spyglass picnic shelter, Margo Dodd Gazebo and ensure the facilities are in good working order

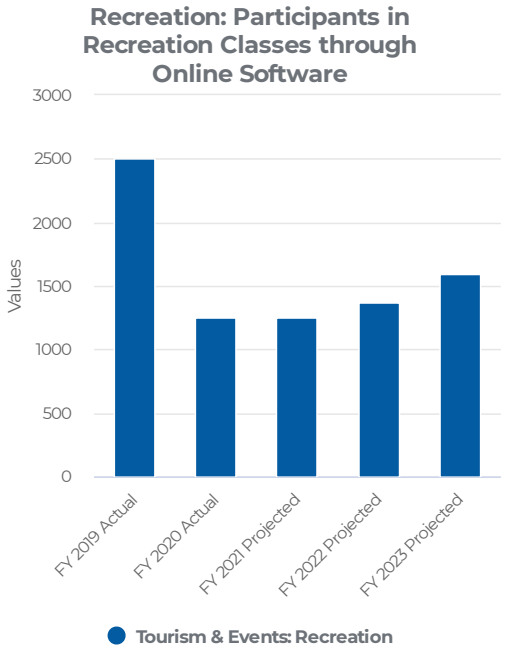
Performance Measure: CVB, Hotel Occupancy Rates

The Tourism & Events Department's Conference & Visitors Bureau (CVB) Division promotes the City's lodging businesses and the City. One way to measure if the CVB Division is effective and promoting the City and its lodging businesses is by measuring the occupancy rate of hotels in the City. T**his performance measure contributes towards the two City Goals: Community Character and Quality of Life for Residents and Public Safety. Occupancy rates at hotels contribute towards more transient occupancy tax (TOT) revenues, which helps support both of these goals.** Note that due to the COVID-19 global pandemic and stay at home orders, occupancy dropped to 56.3% in 2020. Due to the ongoing nature, risk, and hesitancy of the public to travel via air, much of the restored occupancy rate comes from California residents driving and discovering Pismo Beach. CVB Division staff anticipates continuing the same rate of occupancy in 2022 and 2023.



Performance Measure: Recreation Participants

The Tourism & Events Department's Recreation Division provides quality recreation services, classes, and opportunities for the community. One way to measure if the Recreation Division is reaching this objective is by measuring the number of participants in recreation classes through the City's online recreation software. T**his performance measure contributes towards the City Goal: Community Character and Quality of Life for Residents.** Note that due to the COVID-19 global pandemic, participants in recreation classes dropped by 50%. Due to the ongoing nature, risk, and hesitancy of the public to sign up for classes and the nature of higher COVID-19 transmission indoors, Recreation Division staff anticipates a gradual increase of participants over the next two years.



Community Development



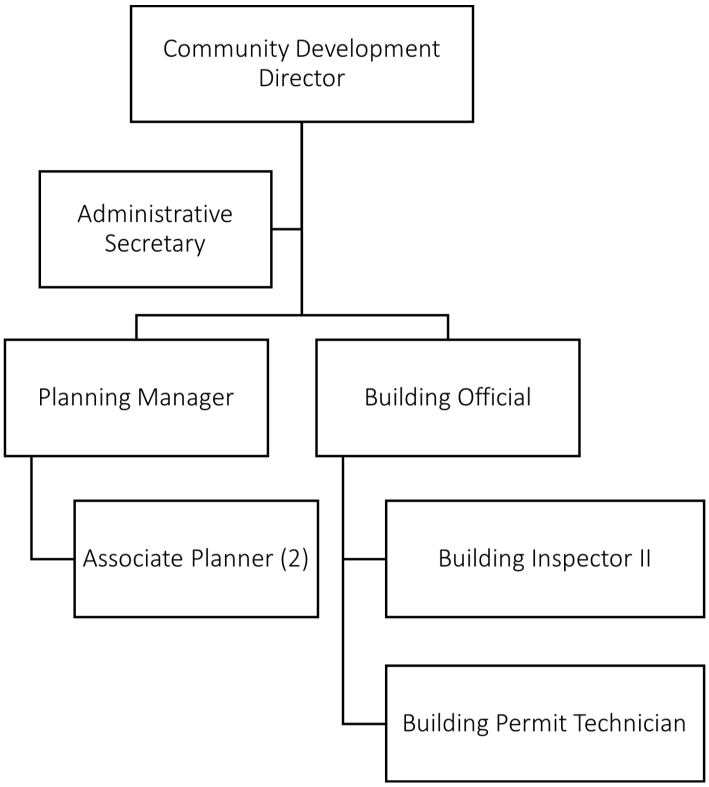
Matthew J. Downing, AICP
Community Development Director

The Community Development Department is dedicated to ensuring a safe and enjoyable living environment for residents and visitors. Services are provided through two main operating divisions - planning and building.

The Planning Division is charged with protection and enhancement of the City's natural resources while overseeing the development and preservation of the City's residential, commercial, open space, and public areas along with other projects that are intended to enhance the City's unique character. Engaging and informing the community beyond current efforts is a growing component of the Division. The Division provides support to most of the City Council's advisory bodies and offers guidance and assistance to these groups as they evaluate and implement long-range plans for the City's future growth and enhancement. Development review consistent with City, state and federal policies and regulations is also the responsibility of the Planning Division. This includes an evaluation of each project's potential for negative impacts to the environment. Consistent with City Council goals, the Planning Division also develops and administers a variety of projects, such as oversight of park and open space planning, development of amendments and updates to land use or development regulations, grant writing, public art, affordable housing programs, and downtown enhancement, among others.

The Building Division is responsible for the protection of life, health, and property through the promotion of public safety in the construction, alteration, and repair of buildings. This responsibility is accomplished by accurate and efficient plan review, permit issuance, construction inspection, and conflict resolution involving contractors, homeowners, and the general public. The Building Division is also responsible for some of the City's code enforcement efforts.

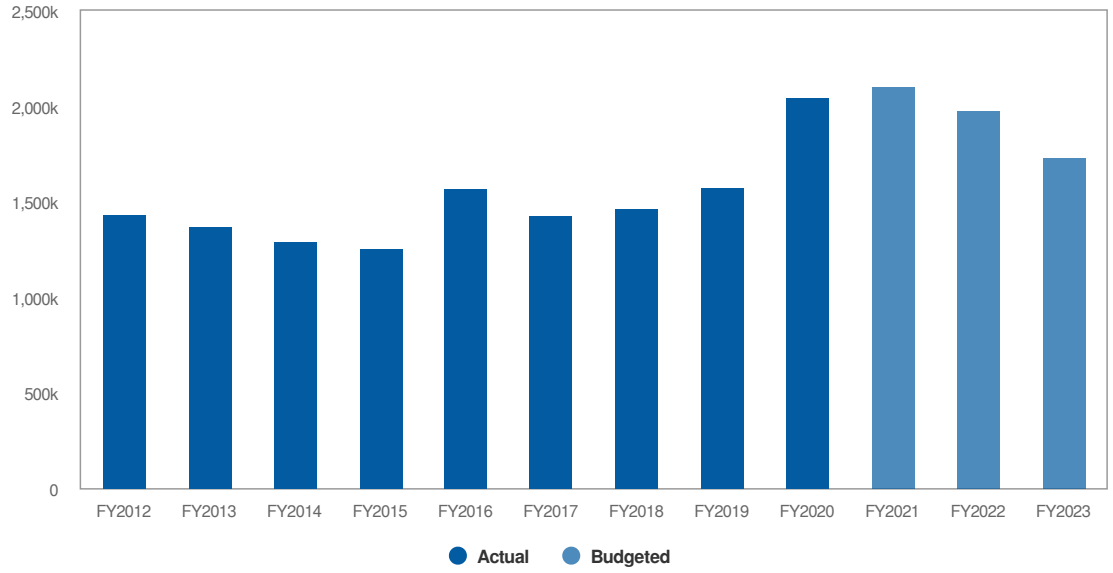
Organizational Chart



Expenditures Summary

$1,980,132 -$127,565
(-6.05% vs. prior year)

Community Development Proposed and Historical Budget vs. Actual

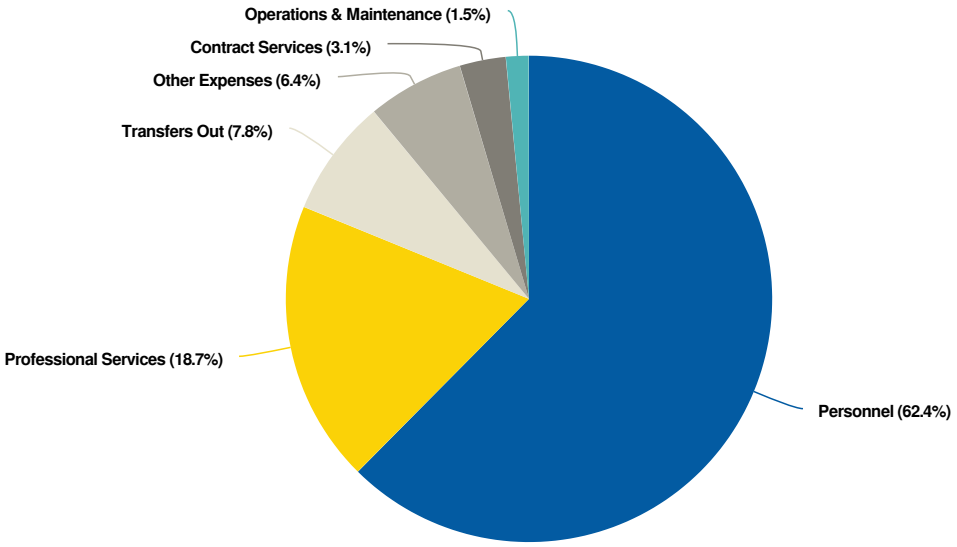


Staffing Levels

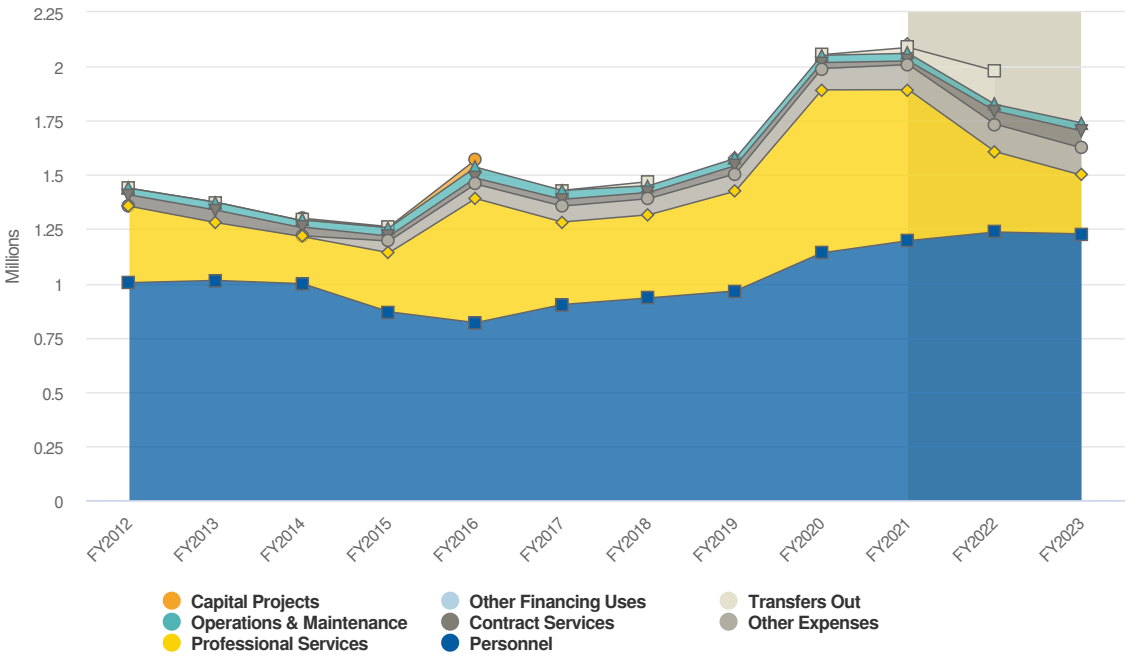
Fund, Department, Division	Positions	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
General Fund, Community Development, Planning	Community Development Director	1.00	1.00	1.00	1.00	1.00	1.00
General Fund, Community Development, Building	Building Official	1.00	1.00	1.00	1.00	1.00	1.00
General Fund, Community Development, Building	Building Inspector I	0.00	0.00	0.00	0.00	0.00	0.00
General Fund, Community Development, Building	Building Inspector II	1.00	1.00	1.00	1.00	1.00	1.00
General Fund, Community Development, Building	Building Permit Technician	1.00	1.00	1.00	1.00	1.00	1.00
General Fund, Community Development, Planning	Planning Manager	1.00	1.00	1.00	1.00	1.00	1.00
General Fund, Community Development, Planning	Administrative Secretary	1.00	1.00	1.00	1.00	1.00	1.00
General Fund, Community Development, Planning	Associate Planner	2.00	2.00	2.00	2.00	2.00	2.00
General Fund, Community Development, Recreation	Recreation Manager	1.00	1.00	1.00	1.00	0.00	0.00
General Fund, Community Development	**Community Development Total:**	**9.00**	**9.00**	**9.00**	**9.00**	**8.00**	**8.00**

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Expense Objects							
Personnel							
Salaries & Wages	$615,303	$632,456	$777,140	$784,030	$769,443	0.9%	-1.9%
Benefits	$317,181	$332,197	$419,443	$452,347	$458,473	7.8%	1.4%
Total Personnel:	**$932,484**	**$964,653**	**$1,196,583**	**$1,236,377**	**$1,227,916**	**3.3%**	**-0.7%**
Professional Services	$383,459	$460,104	$696,389	$371,000	$271,000	-46.7%	-27%
Total Professional Services:	**$383,459**	**$460,104**	**$696,389**	**$371,000**	**$271,000**	**-46.7%**	**-27%**
Contract Services	$28,510	$37,585	$16,636	$60,980	$78,480	266.6%	28.7%
Total Contract Services:	**$28,510**	**$37,585**	**$16,636**	**$60,980**	**$78,480**	**266.6%**	**28.7%**
Operations & Maintenance	$31,111	$33,783	$35,044	$30,020	$36,983	-14.3%	23.2%
Total Operations & Maintenance:	**$31,111**	**$33,783**	**$35,044**	**$30,020**	**$36,983**	**-14.3%**	**23.2%**
Other Expenses	$74,528	$79,942	$115,796	$126,755	$125,528	9.5%	-1%
Total Other Expenses:	**$74,528**	**$79,942**	**$115,796**	**$126,755**	**$125,528**	**9.5%**	**-1%**
Other Financing Uses	$0	$5,000	$20,000	$0	$0	-100%	0%
Total Other Financing Uses:	**$0**	**$5,000**	**$20,000**	**$0**	**$0**	**-100%**	**0%**
Transfers Out	$18,715	$0	$27,250	$155,000	$0	468.8%	-100%
Total Transfers Out:	**$18,715**	**$0**	**$27,250**	**$155,000**	**$0**	**468.8%**	**-100%**
Total Expense Objects:	**$1,468,808**	**$1,581,066**	**$2,107,698**	**$1,980,132**	**$1,739,907**	**-6.1%**	**-12.1%**

Accomplishments in Prior Two-Year Budget

Planning Division

- 5th Cycle Housing Element approved and certified by Department of Housing and Community Development.
- 6th Cycle Housing Element approved and certified by Department of Housing and Community Development.
- Accessory Dwelling Unit Ordinance update approved and certified by the California Coastal Commission.
- Completed Lower-Cost Visitor Serving Accommodations Study.
- Completed Sea Level Rise Adaptation Plan.
- Environmental Impact Report for Central Coast Blue certified by the City Council.

Building Division

- Prepared and processed adoption of the 2019 California Construction Codes.
- Recruited and began training of a new permit technician.
- Switched to electronic submittals to accommodate COVID-19 restrictions.
- Continued providing exceptional inspection services throughout the COVID-19 pandemic.
- Completed inspection of new beachfront hotel.

Work Program Highlights for Next Two-Year Budget

Planning Division

- **City Goal: Community Character and Quality of Life for Residents -** General Plan/Local Coastal Plan Update.
- 6th Cycle Housing Element implementation.
- **City Goal: Community Character and Quality of Life for Residents -** Provide superior customer service through digital plan submittal.
- **City Goal: Community Character and Quality of Life for Residents** - Implement digital plan review.
- Create and revise planning-related handouts, as necessary.

Building Division

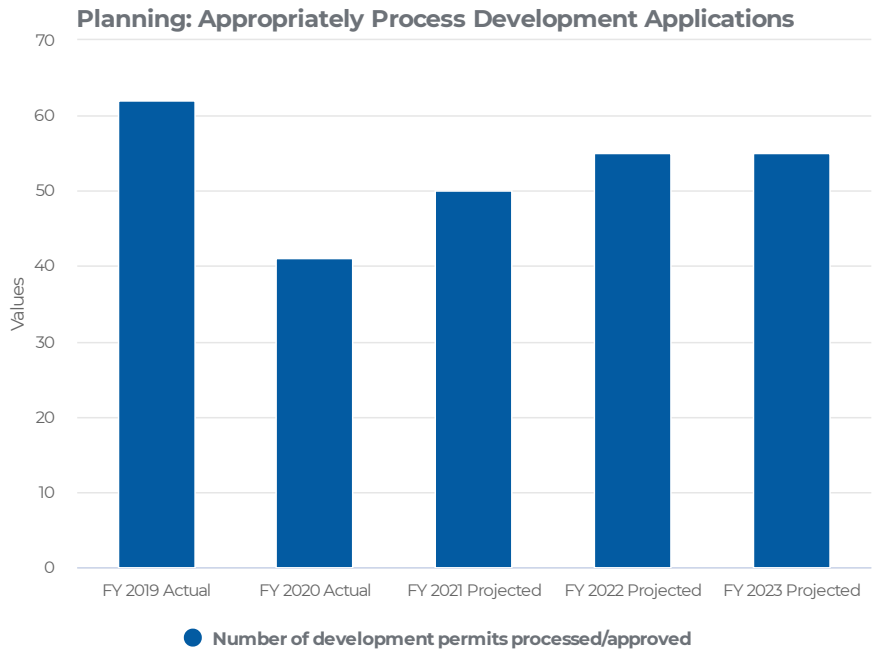
- Prepare and process adoption of the 2022 California Construction Codes.
- Continue to provide a high level of customer service with aggressive turn-around times.
- Process an estimated 1,000 building permits and conduct corresponding inspections.
- Ensure appropriate staff training and certifications.
- Create appropriate construction-related handouts.

Performance Measure: Planning; Process of Development Applications

The Community Development Department's Planning Division appropriately processes coastal and non-coastal development permits. One way to measure if the Planning Division is reaching this objective is by measuring the number of development permits processed or approved through the City's permit system software. **This performance measure contributes towards the City Goals:**

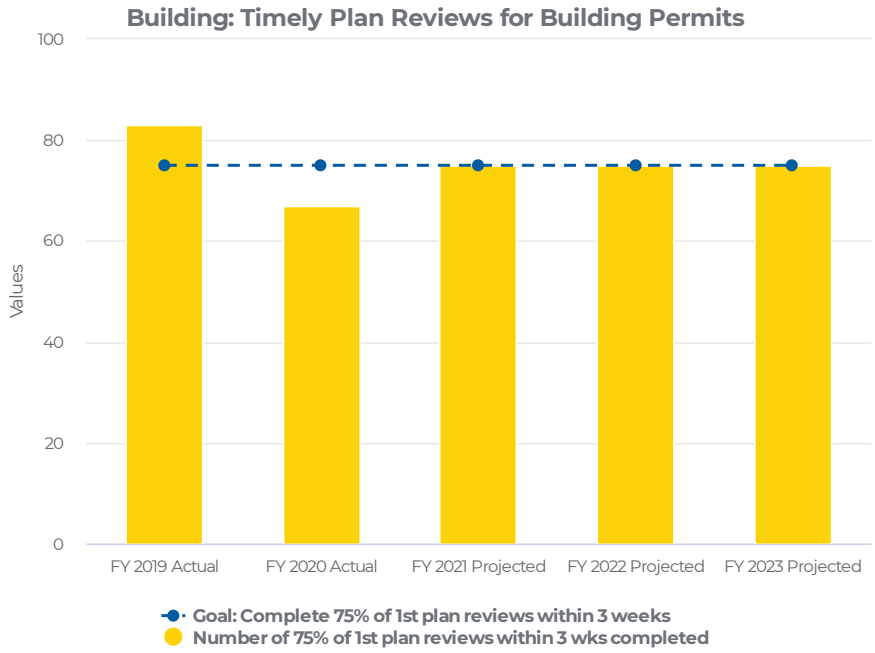
- **Community Character and Quality of Life for Residents** to provide excellent customer service to the community;
- T**raffic, Circulation, and Parking** to ensure adequate planning of these areas in compliance with the City's General Plan

Note that due to the COVID-19 global pandemic, there were fewer permits given to the City. The Planning Division staff anticipates a return of development permit applications in the next two years.



Performance Measure: Building; Timely Plan Reviews for Building Permits

The Community Development Department's Building Division provides timely plan reviews for building permits. The Building Division strives to complete 75% of the first plan reviews within 3 weeks, which is tracked through the City's permit system software. **This performance measure contributes towards the City Goal of Community Character and Quality of Life for Residents** to provide excellent customer service to the community and ensure buildings are safe and accessible. Note that due to the COVID-19 global pandemic in FY 2020, the City eliminated the contracted plan reviewer and thus only 67% of the plan reviews met the objective. The Building Division staff anticipates meeting its objective in the next two years.



Public Works



Benjamin A. Fine
Public Works Director / City Engineer

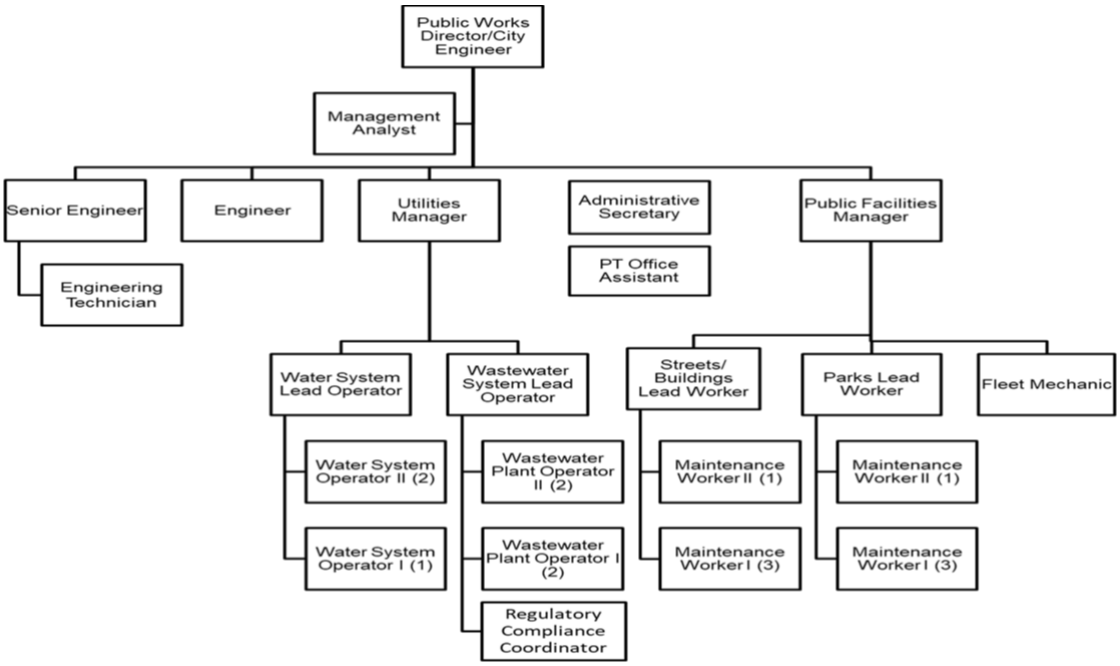
The Public Works Department is responsible for the design, construction and maintenance of City facilities and infrastructure including streets, public buildings, the pier, promenades, beach access stairways, beach, parks, public parking lots, vehicles, water system and wastewater system. These services are provided through two main operating divisions—engineering and public works. These service areas are funded through the General Fund and a series of enterprise funds.

Enginnering Division
The principal responsibility of the Engineering Division is protection of the public. This is accomplished by assuring that properly registered professional engineers design and oversee construction of facilities that are built and maintained for public usage. The primary areas of activity are project management, design, and construction of capital improvements by the City, and review and inspection of improvements constructed as conditions of private development by developers. Ancillary services include keeping records of infrastructure improvements for use by the public works division and by the general public and representing the City on several regional technical advisory committees.

Public Facilities Division
The Public Facilities Division oversees streets, government buildings and parks. The division is responsible for inspecting, repairing, and maintaining the City's streets, parking lots, sidewalks and beaches, as well as public buildings and maintaining all City-owned parks, rights-of-way, medians, playground equipment, irrigation and other landscaped areas for public use. Activities include overseeing the street sweeping contract, pothole patching, and installation and maintenance of street signs and markings to ensure safe driving and walking conditions. This division also maintains all City stairways and ramps to the beach, monitors all City trees for disease and public safety, oversees the cleaning and maintenance of City restrooms and portable toilets, and maintains the mutt mitt program throughout the City. Public buildings that the division is responsible for operating and maintaining include City Hall, the Veterans' Halls, the Police Department facility, the Visitor Information Center/Parking Bureau building, two Fire Stations, 10 public restrooms, and the Public Works Maintenance buildings.

Utilities Division
The Utilities Division includes water and wastewater operations. The Water Operations division is responsible for ensuring that a safe, drinkable supply of water is provided to Pismo Beach. This responsibility is accomplished through ongoing inspection, repair and maintenance of the City's wells, tanks, booster stations, hydro-pneumatic system, and water distribution system components. The City's water distribution system and supply are sampled in accordance with California Department of Public Health regulations and guidelines. Tasks also include educating water customers on water quality, cost, and conservation issues. The Wastewater Operations Division is responsible for protecting public health and the environment by ensuring that the City's treatment and collection system operations meet all City, federal, and state laws and requirements. This responsibility is accomplished by operation and maintenance of the City's wastewater treatment plant, located on Frady Lane at the City corporation yard, and by operation and maintenance of the wastewater collection facilities including pumps and pipelines.

Organizational Chart



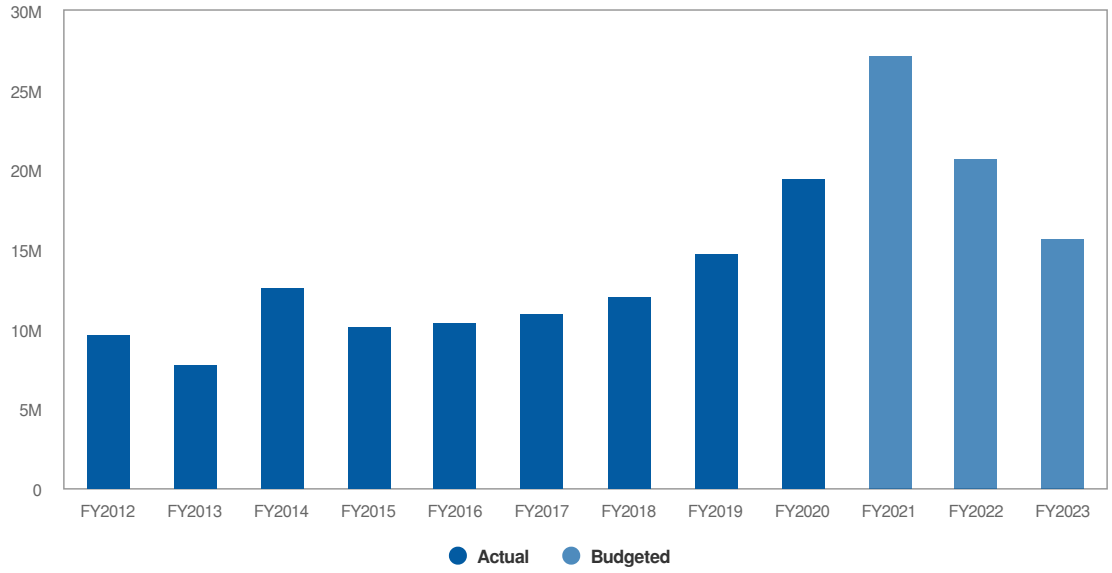
Staffing Levels

Fund, Department, Division	Positions	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Various Funds, Public Works, Engineering	Public Works Director/City Enginee	1.00	1.00	1.00	1.00	1.00	1.00
Various Funds, Public Works, Engineering	Senior Engineer	1.00	1.00	1.00	1.00	1.00	1.00
Various Funds, Public Works, Engineering	Engineer	1.00	1.00	1.00	1.00	1.00	1.00
Various Funds, Public Works, Engineering	Associate Civil Engineer	0.00	0.00	0.00	0.00	0.00	0.00
Various Funds, Public Works, Engineering	Management Analyst	0.00	0.00	1.00	1.00	1.00	1.00
Various Funds, Public Works, Engineering	Administrative Secretary	2.00	2.00	1.00	1.00	1.00	1.00
Various Funds, Public Works, Engineering	Engineering Technician	1.00	1.00	1.00	1.00	1.00	1.00
Water & Wastewater Enterprise Funds, Public Works, Utilities	Utilities Manager	1.00	1.00	1.00	1.00	1.00	1.00
General Fund, Public Works, Facilities	Facilities Manager	1.00	1.00	1.00	1.00	1.00	1.00
General Fund, Public Works, Facilities	Public Works Superintendent	0.00	0.00	0.00	0.00	0.00	0.00
General Fund, Public Works, Facilities	Public Works Facilities Supervisor	0.00	0.00	0.00	0.00	0.00	0.00
General Fund, Public Works, Facilities	Lead Worker Streets/Govt Build.	1.00	1.00	1.00	1.00	1.00	1.00
General Fund, Public Works, Facilities	Lead Worker Parks	1.00	1.00	1.00	1.00	1.00	1.00
General Fund, Public Works, Facilities	Maintenance Worker II	4.00	4.00	4.00	4.00	4.00	4.00
General Fund, Public Works, Facilities	Maintenance Worker I	4.00	4.00	4.00	4.00	5.00	5.00
Water Enterprise Fund, Public Works, Water	Water System Supervisor	0.00	0.00	0.00	0.00	0.00	0.00
Water Enterprise Fund, Public Works, Water	Lead Worker Water	1.00	1.00	1.00	1.00	1.00	1.00
Water Enterprise Fund, Public Works, Water	Water Operator I	2.00	2.00	2.00	2.00	2.00	2.00
Water Enterprise Fund, Public Works, Water	Water Operator II	1.00	1.00	1.00	1.00	1.00	1.00
Wastewater Enterprise Fund, Public Works, Wastewater	Wastewater Ops Supervisor	0.00	0.00	0.00	0.00	0.00	0.00
Wastewater Enterprise Fund, Public Works, Wastewater	Lead Worker Wastewater	1.00	1.00	1.00	1.00	1.00	1.00
Wastewater Enterprise Fund, Public Works, Wastewater	WWTP Mechanic	0.00	0.00	0.00	0.00	0.00	0.00
Wastewater Enterprise Fund, Public Works, Wastewater	Treatment Plant Operator II	4.00	4.00	4.00	4.00	4.00	4.00
Wastewater Enterprise Fund, Public Works, Wastewater	Treatment Plant Operator I	0.00	0.00	0.00	0.00	0.00	0.00
Wastewater Enterprise Fund, Public Works, Wastewater	Regulatory Compliance	1.00	1.00	1.00	1.00	1.00	1.00
Motor Vehicle Replacement Fund, Public Works, Facilities	Fleet Mechanic	1.00	1.00	1.00	1.00	1.00	1.00
Various Funds, Public Works	**PUBLIC WORKS TOTAL:**	**29.00**	**29.00**	**29.00**	**29.00**	**30.00**	**30.00**

Expenditures Summary

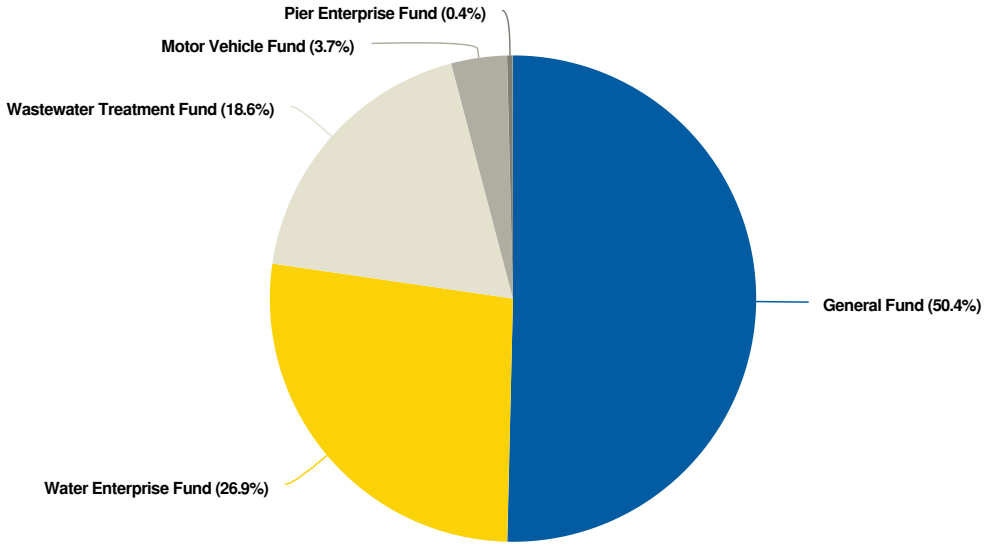
$20,784,945 -$6,483,160
(-23.78% vs. prior year)

Public Works Proposed and Historical Budget vs. Actual

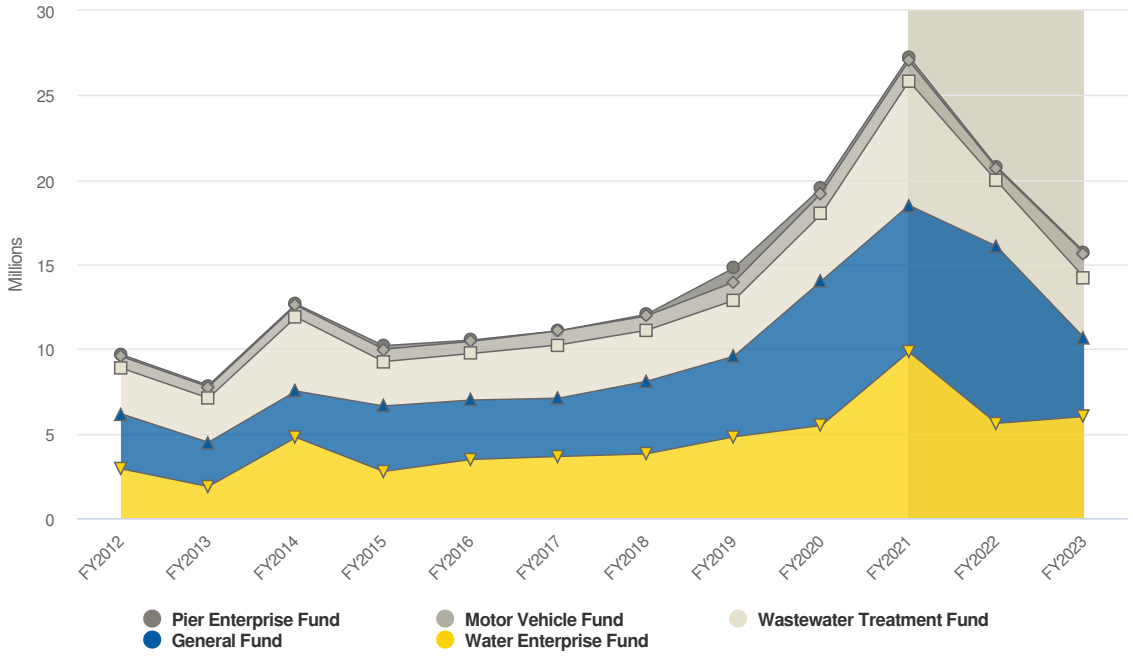


Expenditures by Fund

2022 Expenditures by Fund



Budgeted and Historical 2022 Expenditures by Fund



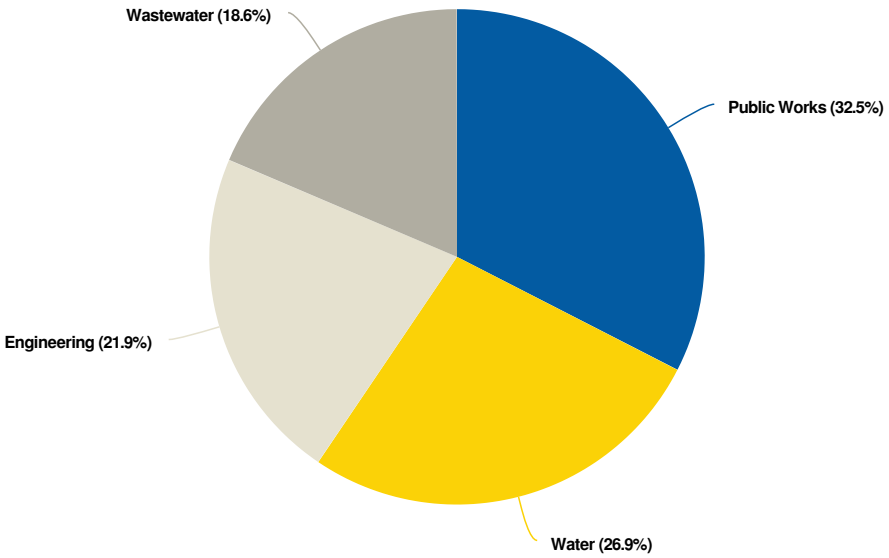
Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
General Fund							
Personnel	$1,706,925	$1,656,058	$2,103,537	$2,203,927	$2,249,054	4.8%	2%
Professional Services	$106,355	$117,140	$102,636	$146,500	$126,500	42.7%	-13.7%
Contract Services	$885,763	$869,734	$994,249	$1,112,665	$1,122,780	11.9%	0.9%
Operations & Maintenance	$373,516	$386,038	$569,476	$586,284	$435,065	3%	-25.8%
Other Expenses	$78,032	$81,681	$93,058	$107,578	$106,506	15.6%	-1%
Capital Projects	$14,025	$31,983	$396,073	$0	$0	-100%	0%
Transfers Out	$1,121,952	$1,616,273	$4,407,501	$6,315,441	$616,552	43.3%	-90.2%
Total General Fund:	**$4,286,568**	**$4,758,907**	**$8,666,529**	**$10,472,395**	**$4,656,457**	**20.8%**	**-55.5%**
Water Enterprise Fund							
Personnel	$609,504	$646,420	$680,775	$835,603	$793,518	22.7%	-5%
Professional Services	$1,817,852	$1,645,447	$2,381,141	$1,401,006	$1,566,456	-41.2%	11.8%
Contract Services	$251,050	$227,342	$237,120	$255,736	$260,223	7.9%	1.8%
Operations & Maintenance	$180,148	$187,511	$377,262	$300,935	$301,139	-20.2%	0.1%
Other Expenses	$777,410	$790,340	$412,364	$436,852	$456,816	5.9%	4.6%
Capital Projects	$8,433	$3,485	$2,275,568	$83,000	$83,000	-96.4%	0%
Other Financing Uses	$8,598	$2,450	$15,125	$0	$15,000	-100%	N/A
Transfers Out	$140,179	$1,298,974	$3,442,099	$2,285,219	$2,523,817	-33.6%	10.4%

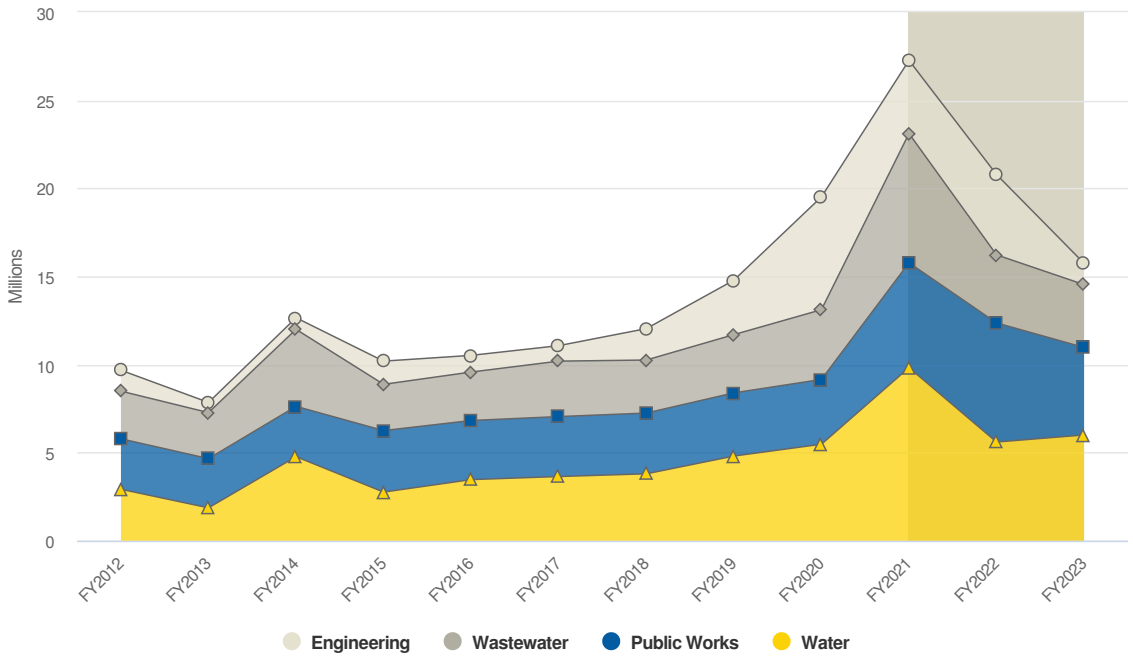
Name	FY2018 Actual	FY2019 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Total Water Enterprise Fund:	**$3,793,174**	**$4,801,969**	**$9,821,453**	**$5,598,351**	**$5,999,969**	**-43%**	**7.2%**
Wastewater Treatment Fund							
Personnel	$915,302	$922,504	$980,217	$1,215,356	$1,059,011	24%	-12.9%
Professional Services	$28,848	$55,448	$179,970	$136,975	$88,525	-23.9%	-35.4%
Contract Services	$455,574	$413,874	$503,349	$388,489	$395,220	-22.8%	1.7%
Operations & Maintenance	$407,692	$380,247	$503,643	$563,466	$563,717	11.9%	0%
Other Expenses	$1,127,402	$1,148,501	$564,543	$1,157,545	$1,185,227	105%	2.4%
Capital Projects	$111	$881	$1,664,866	$40,800	$40,800	-97.5%	0%
Debt Service	-$88,803	$0	$0	$0	$0	0%	0%
Transfers Out	$165,544	$385,876	$2,943,721	$361,186	$237,840	-87.7%	-34.2%
Total Wastewater Treatment Fund:	**$3,011,671**	**$3,307,332**	**$7,340,308**	**$3,863,817**	**$3,570,340**	**-47.4%**	**-7.6%**
Pier Enterprise Fund							
Contract Services	$30,191	$26,544	$39,294	$39,272	$39,272	-0.1%	0%
Operations & Maintenance	$18,292	$22,107	$54,000	$43,000	$43,000	-20.4%	0%
Other Expenses	$45,038	$129,658	$0	$0	$0	0%	0%
Capital Projects	$564	$88	$134,091	$0	$0	-100%	0%
Other Financing Uses	$0	$652,789	$0	$0	$0	0%	0%
Total Pier Enterprise Fund:	**$94,085**	**$831,186**	**$227,385**	**$82,272**	**$82,272**	**-63.8%**	**0%**
Motor Vehicle Fund							
Personnel	$123,026	$128,191	$133,180	$140,960	$143,430	5.8%	1.8%
Contract Services	$832	$770	$3,160	$3,160	$3,160	0%	0%
Operations & Maintenance	$351,404	$361,446	$366,642	$365,296	$366,358	-0.4%	0.3%
Other Expenses	$361,783	$407,869	$4,818	$6,094	$6,027	26.5%	-1.1%
Capital Projects	$13,757	$62,176	$699,072	$252,600	$914,800	-63.9%	262.2%
Transfers Out	$768	$126,710	$5,556	$0	$0	-100%	0%
Total Motor Vehicle Fund:	**$851,570**	**$1,087,161**	**$1,212,429**	**$768,110**	**$1,433,775**	**-36.6%**	**86.7%**
Total:	**$12,037,067**	**$14,786,555**	**$27,268,105**	**$20,784,945**	**$15,742,813**	**-23.8%**	**-24.3%**

Expenditures by Function

Budgeted Expenditures by Function



Budgeted and Historical Expenditures by Function



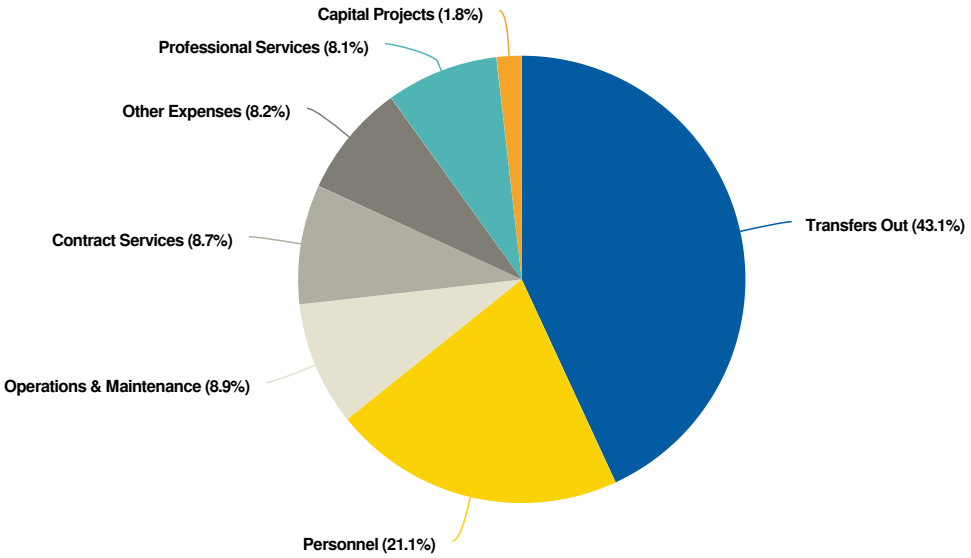
Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Expenditures							
Public Works							
Engineering							
Personnel	$537,520	$577,102	$701,870	$699,220	$712,357	-0.4%	1.9%
Professional Services	$106,355	$112,940	$100,653	$146,500	$126,500	45.5%	-13.7%
Contract Services	$47,372	$43,263	$46,747	$57,267	$57,382	22.5%	0.2%
Operations & Maintenance	$31,648	$45,471	$73,216	$58,698	$58,729	-19.8%	0.1%
Other Expenses	$99,126	$187,280	$67,961	$72,868	$72,074	7.2%	-1.1%
Capital Projects	$3,902	$88	$425,164	$0	$0	-100%	0%
Other Financing Uses	$0	$652,789	$0	$0	$0	0%	0%
Transfers Out	$957,211	$1,470,680	$2,738,057	$3,525,000	$180,000	28.7%	-94.9%
Total Engineering:	**$1,783,134**	**$3,089,612**	**$4,153,668**	**$4,559,553**	**$1,207,042**	**9.8%**	**-73.5%**
Public Works							
Personnel	$1,292,431	$1,207,147	$1,534,847	$1,645,667	$1,680,127	7.2%	2.1%
Professional Services	$0	$4,200	$1,983	$0	$0	-100%	0%
Contract Services	$870,230	$853,785	$989,956	$1,097,830	$1,107,830	10.9%	0.9%
Operations & Maintenance	$711,564	$724,120	$916,902	$935,882	$785,694	2.1%	-16%
Other Expenses	$385,728	$431,929	$29,914	$40,804	$40,459	36.4%	-0.8%
Capital Projects	$24,444	$94,159	$804,072	$252,600	$914,800	-68.6%	262.2%
Transfers Out	$165,508	$272,303	$1,675,001	$2,790,441	$436,552	66.6%	-84.4%
Total Public Works:	**$3,449,905**	**$3,587,642**	**$5,952,675**	**$6,763,223**	**$4,965,462**	**13.6%**	**-26.6%**
Water							
Personnel	$609,504	$646,420	$680,775	$835,603	$793,518	22.7%	-5%
Professional Services	$1,817,852	$1,645,447	$2,381,141	$1,401,006	$1,566,456	-41.2%	11.8%
Contract Services	$251,050	$227,342	$237,120	$255,736	$260,223	7.9%	1.8%
Operations & Maintenance	$180,148	$187,511	$377,262	$300,935	$301,139	-20.2%	0.1%
Other Expenses	$777,410	$790,340	$412,364	$436,852	$456,816	5.9%	4.6%
Capital Projects	$8,433	$3,485	$2,275,568	$83,000	$83,000	-96.4%	0%
Other Financing Uses	$8,598	$2,450	$15,125	$0	$15,000	-100%	N/A
Transfers Out	$140,179	$1,298,974	$3,442,099	$2,285,219	$2,523,817	-33.6%	10.4%
Total Water:	**$3,793,174**	**$4,801,969**	**$9,821,453**	**$5,598,351**	**$5,999,969**	**-43%**	**7.2%**
Wastewater							

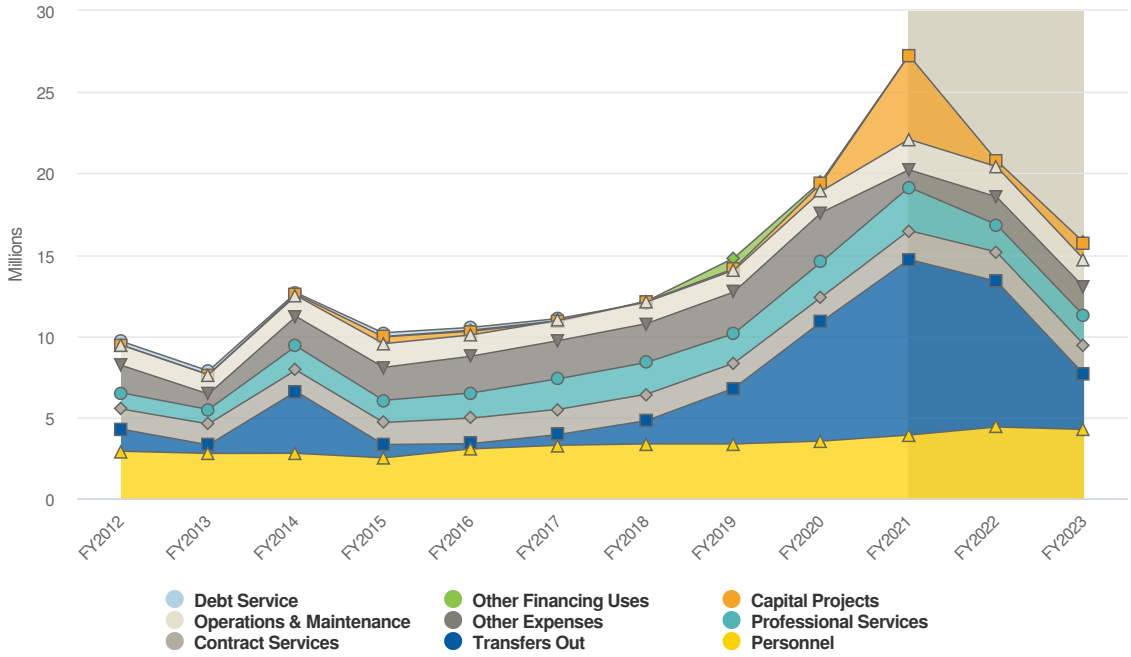
Name	FY2018 Actual	FY2019 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Personnel	$915,302	$922,504	$980,217	$1,215,356	$1,059,011	24%	-12.9%
Professional Services	$28,848	$55,448	$179,970	$136,975	$88,525	-23.9%	-35.4%
Contract Services	$454,758	$413,874	$503,349	$388,489	$395,220	-22.8%	1.7%
Operations & Maintenance	$407,692	$380,247	$503,643	$563,466	$563,717	11.9%	0%
Other Expenses	$1,127,402	$1,148,501	$564,543	$1,157,545	$1,185,227	105%	2.4%
Capital Projects	$111	$881	$1,664,866	$40,800	$40,800	-97.5%	0%
Debt Service	-$88,803	$0	$0	$0	$0	0%	0%
Transfers Out	$165,544	$385,876	$2,943,721	$361,186	$237,840	-87.7%	-34.2%
Total Wastewater:	**$3,010,855**	**$3,307,332**	**$7,340,308**	**$3,863,817**	**$3,570,340**	**-47.4%**	**-7.6%**
Total Public Works:	**$12,037,067**	**$14,786,555**	**$27,268,105**	**$20,784,945**	**$15,742,813**	**-23.8%**	**-24.3%**
Total Expenditures:	**$12,037,067**	**$14,786,555**	**$27,268,105**	**$20,784,945**	**$15,742,813**	**-23.8%**	**-24.3%**

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Expense Objects							
Personnel							
Salaries & Wages	$2,050,529	$2,037,986	$2,343,756	$2,461,275	$2,482,916	5%	0.9%
Benefits	$1,304,228	$1,315,187	$1,553,953	$1,934,572	$1,762,098	24.5%	-8.9%
Total Personnel:	**$3,354,757**	**$3,353,173**	**$3,897,709**	**$4,395,846**	**$4,245,013**	**12.8%**	**-3.4%**
Professional Services	$1,953,055	$1,818,036	$2,663,747	$1,684,481	$1,781,481	-36.8%	5.8%
Total Professional Services:	**$1,953,055**	**$1,818,036**	**$2,663,747**	**$1,684,481**	**$1,781,481**	**-36.8%**	**5.8%**
Contract Services	$1,623,410	$1,538,263	$1,777,171	$1,799,322	$1,820,655	1.2%	1.2%
Total Contract Services:	**$1,623,410**	**$1,538,263**	**$1,777,171**	**$1,799,322**	**$1,820,655**	**1.2%**	**1.2%**
Operations & Maintenance	$1,331,052	$1,337,349	$1,871,024	$1,858,981	$1,709,279	-0.6%	-8.1%
Total Operations & Maintenance:	**$1,331,052**	**$1,337,349**	**$1,871,024**	**$1,858,981**	**$1,709,279**	**-0.6%**	**-8.1%**
Other Expenses	$2,389,665	$2,558,050	$1,074,783	$1,708,069	$1,754,576	58.9%	2.7%
Total Other Expenses:	**$2,389,665**	**$2,558,050**	**$1,074,783**	**$1,708,069**	**$1,754,576**	**58.9%**	**2.7%**

Name	FY2018 Actual	FY2019 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Capital Projects	$36,891	$98,613	$5,169,670	$376,400	$1,038,600	-92.7%	175.9%
Total Capital Projects:	**$36,891**	**$98,613**	**$5,169,670**	**$376,400**	**$1,038,600**	**-92.7%**	**175.9%**
Debt Service	-$88,803	$0	$0	$0	$0	0%	0%
Total Debt Service:	**-$88,803**	**$0**	**$0**	**$0**	**$0**	**0%**	**0%**
Other Financing Uses	$8,598	$655,239	$15,125	$0	$15,000	-100%	N/A
Total Other Financing Uses:	**$8,598**	**$655,239**	**$15,125**	**$0**	**$15,000**	**-100%**	**N/A**
Transfers Out	$1,428,442	$3,427,832	$10,798,877	$8,961,846	$3,378,209	-17%	-62.3%
Total Transfers Out:	**$1,428,442**	**$3,427,832**	**$10,798,877**	**$8,961,846**	**$3,378,209**	**-17%**	**-62.3%**
Total Expense Objects:	**$12,037,067**	**$14,786,555**	**$27,268,105**	**$20,784,945**	**$15,742,813**	**-23.8%**	**-24.3%**

Work Program Highlights for Next Two-Year Budget

Engineering Division

- Pismo Storm Drain Project (In Progress)
- **City Goal: Water Supply, Conservation, and Central Coast Blue** - Central Coast Blue (In Progress)
- Bello Bridge Project (In Progress)
- Park Sign Update (In Progress)
- Price Historical Park Sign (In Progress)
- Ocean Boulevard Improvement Project
- Dinosaur Caves/Price Historical Park Restroom Project
- **City Goal: Water Supply, Conservation, and Central Coast Blue** - Shell Beach Reservoir I Replacement
- Price Canyon Slope Repair
- Corporation Yard and City Hall Remodel

Public Facilities

- Remove and replace Dinosaur Caves Park restroom, relocate to Price Historic Park
- Bello Vets Hall Repairs
- Paint Shell Beach Vets Hall Exterior
- Replace Beach Wheelchairs

Water - City Goal: Water Supply, Conservation, and Central Coast Blue

- Central Coast Blue (In Progress)
- Smart water meters
- Five Cities Drive waterline replacement
- Reservoir maintenance
- Ocean View Avenue waterline upgrade
- Urban Water Master Plan update (In progress)
- Charles Street Reservoir replacement

Wastewater

- Inflow and infiltration
- Grit removal
- Wastewater system pump replacement
- Toucan Terrace sewer trestle rehabilitation
- Vista Del Mar Lift Station generator

Accomplishments in Prior Two-Year Budget

Engineering Division

- Water Master Plan Update
- Systemic Safety Analysis Report
- Speed Survey Update
- Pavement Management System Update
- Pier Plaza
- Shell Beach Streetscape
- Five Cities Lift Station
- Lift Station Maintenance
- Corporation Yard Fuel Tank
- 2020 Paving Project
- Mattie Road Sidewalk Extension

Public Facilities

- Added play equipment to Dinosaur Caves Park
- Completed bluff inspections
- Shell Beach/Pismo Beach Pedestrian and Bicycle Access and Streetscape
- Spyglass Park parking lot rehabilitation
- Replace Spyglass Park play equipment
- Resurface/restripe Shell Beach Tennis Courts
- Re-roof Police Department and Fire Department

Water

- Water Master Plan

Wastewater

- Five Cities Lift Station Replacement
- Lift Station Maintenance Project
- Sewer System Management Plan

Performance Measures: Engineering, Facilities, and Utilities

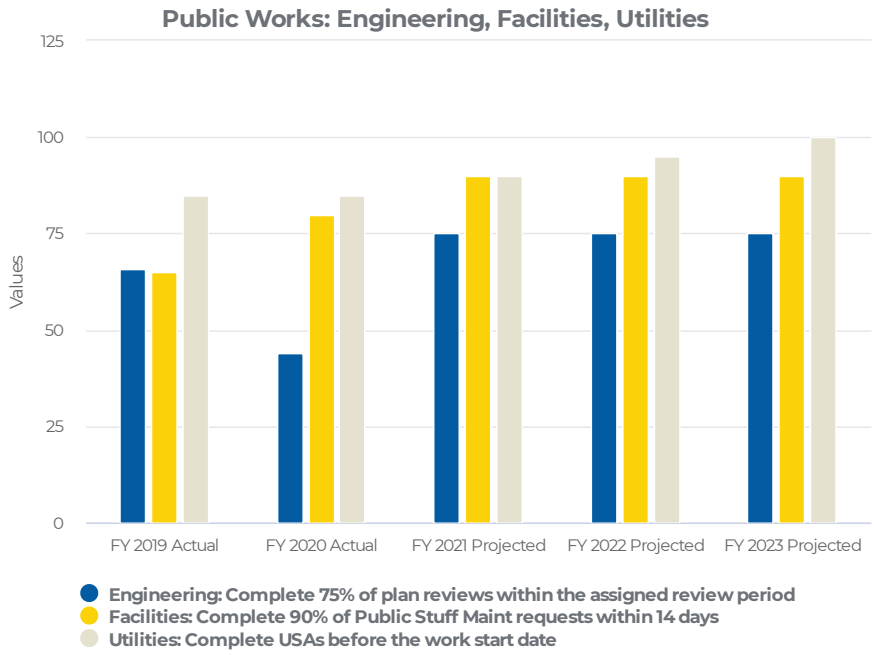
The Public Works Department's Engineering Division strives to complete plan reviews within the due date based on the type of plans being reviewed. The Engineering Division aims to complete 75% of plan reviews within the assigned review period, which is tracked through the City's permit system software. **This performance measure contributes towards the City Goals of:**

- **Community Character and Quality of Life for Residents** to provide excellent customer service to the community and ensure development plans meet the City's specifications;
- **Water Supply, Conservation, and Central Coast Blue (Sustainability)** to ensure that development includes adequate water supply, meets conservation efforts, and helps contribute towards Central Coast Blue

Note that due to the COVID-19 global pandemic in FY 2020, the City eliminated the contracted plan reviewer and thus only 44% of the plan reviews met the objective. The Engineering Division staff anticipates meeting its objective in the next two years.

The Public Works Department's Facilities Division strives to complete Public Stuff (community feedback online platform) maintenance requests sent to Public Works within 14 days. The Facilities Division aims to complete 90% of these requests for maintenance work within 14 days, which is tracked through the City's Public Stuff software. **This performance measure contributes towards the City Goal of Community Character and Quality of Life for Residents** to provide excellent customer service to the community and ensure the community is kept clean and free of litter, trash cans are emptied, public restrooms are serviced, parks and streets are maintained, beautification standards are met, and the City's facilities are kept in good repair due to ongoing maintenance.

The Public Works Department's Utilities Division strives to mark out all Underground Service Alerts (USAs) before the work start date. The Utilities Division aims to complete 100% of these USAs, which is tracked through the City's USA email. **This performance measure contributes towards the City Goal of Water Supply, Conservation, and Central Coast Blue (Sustainability)** to reduce the amount of wasted water and keep utility costs for the City at a minimum.



Police



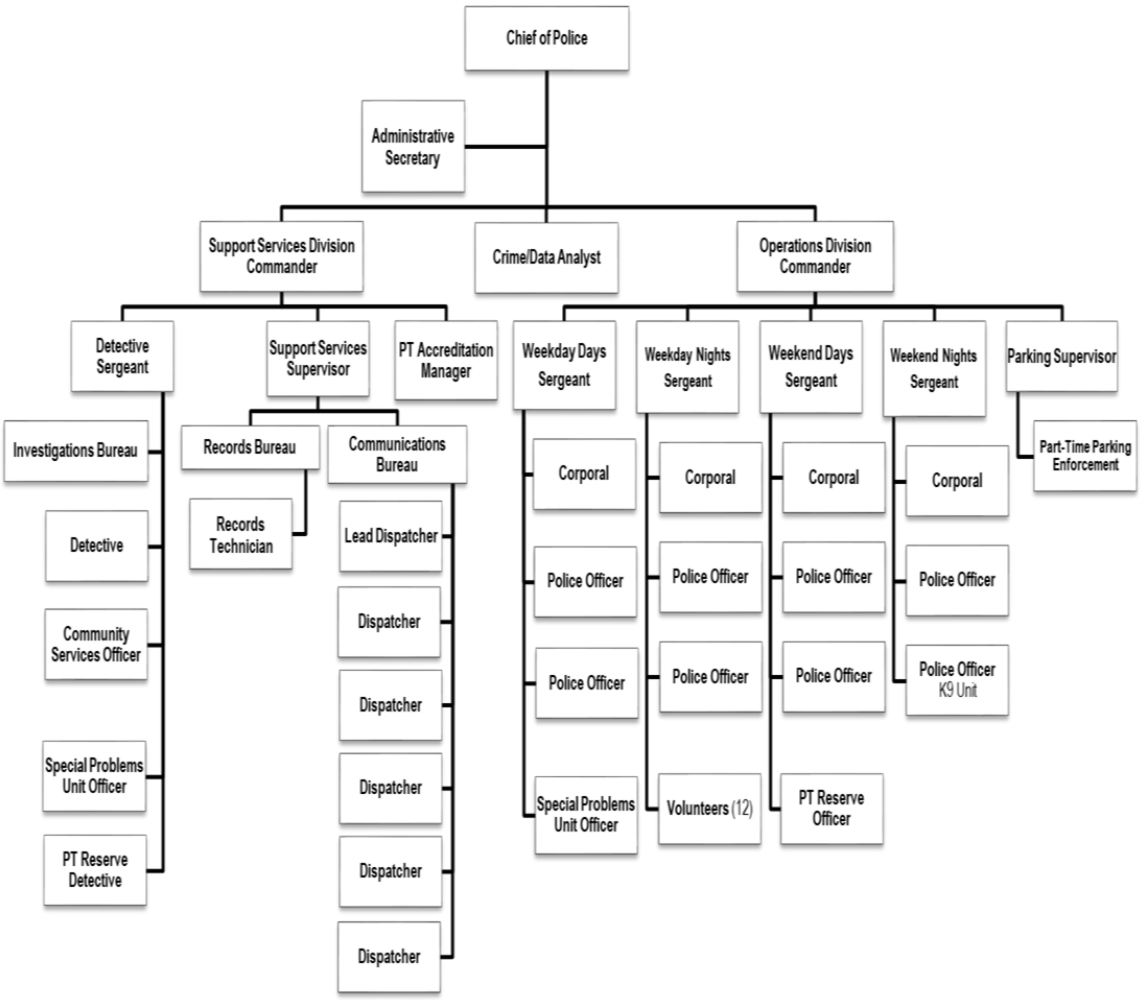
Jeffrey Smith
Police Chief

The Police Department provides a multifaceted public safety service that creates an atmosphere and environment of social order and safety. The department places a high value on providing public safety services that significantly contribute to the high quality of life enjoyed by both residents of and visitors to the City. Supporting this objective, the department's policing efforts function under a philosophy of collaboration and partnership with the community. Organizationally, the department consists of two major divisions: Operations and Support. The Operations Division consists of patrol, traffic operations, reserve officers, K-9 Unit, citizen volunteer patrol, and the downtown/special problems unit. The Support Division oversees Records, Communication Center, Investigations Bureau, Training, Administrative Services, and DARE/crime prevention.

The Police Department also staffs the Parking Division, which is responsible for implementing the goals of the Pismo Beach Parking Management Plan as follows:

- Administer existing parking more efficiently
- Provide more parking to support future demand and downtown businesses.
- Improve enforcement and parking management
- Improve financial operations related to parking
- Establish a financing program for a future parking structure
- Implement Phase I of the Parking Management Plan, modified over time to address changes

Organizational Chart



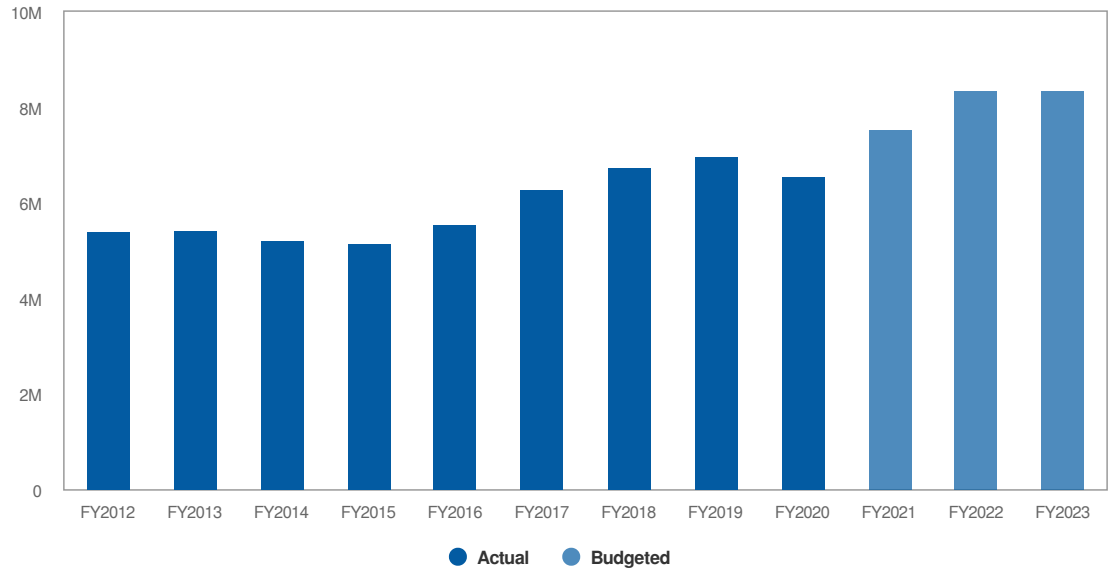
Staffing Levels

Fund, Department, Division	Positions	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
General Fund, Police, Operations	Police Chief	1.00	1.00	1.00	1.00	1.00	1.00
General Fund, Police,	Police Commander	2.00	2.00	2.00	2.00	2.00	2.00
Parking Enterprise Fund,	Parking Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
General Fund, Police,	Administrative Secretary	1.00	1.00	1.00	1.00	1.00	1.00
General Fund, Police,	Police Corporal	3.00	3.00	4.00	4.00	4.00	4.00
General Fund, Police,	Police Sergeant	5.00	5.00	5.00	5.00	5.00	5.00
General Fund, Police,	Police Officer	11.00	11.00	10.00	10.00	10.00	10.00
General Fund, Police,	Police Officer - Grant	1.00	1.00	1.00	1.00	1.00	1.00
General Fund, Police,	Community Services Officer	1.00	1.00	1.00	1.00	1.00	1.00
General Fund, Police,	Support Services Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
General Fund, Police,	Crime Analyst	0.00	0.00	1.00	1.00	1.00	1.00
General Fund, Police,	Dispatcher/Records Technician	8.00	8.00	7.00	7.00	9.00	9.00
General Fund, Police, Support	Senior Public Safety Dispatcher	0.00	0.00	0.00	0.00	1.00	1.00
	POLICE TOTAL:	**35.00**	**35.00**	**35.00**	**35.00**	**38.00**	**38.00**

Expenditures Summary

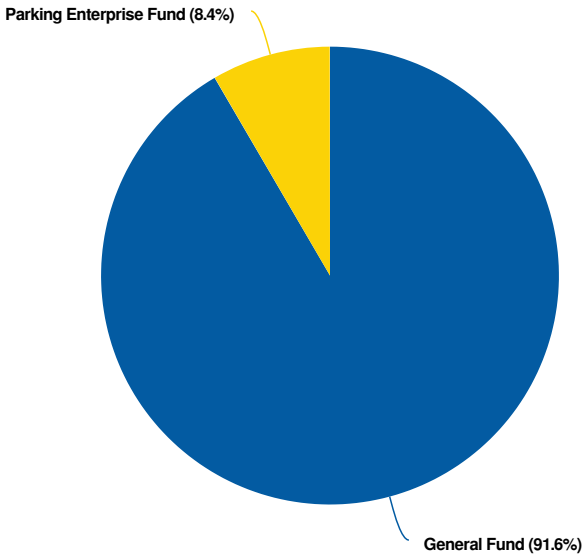
$8,358,019 $825,821
(10.96% vs. prior year)

Police Proposed and Historical Budget vs. Actual

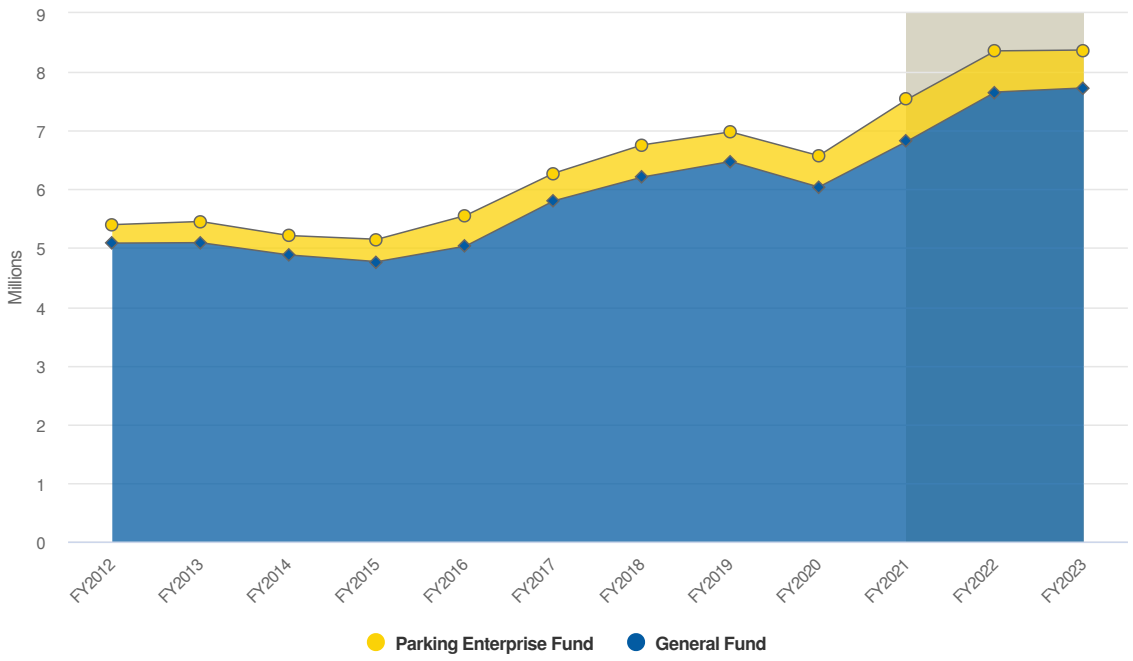


Expenditures by Fund

2022 Expenditures by Fund



Budgeted and Historical 2022 Expenditures by Fund



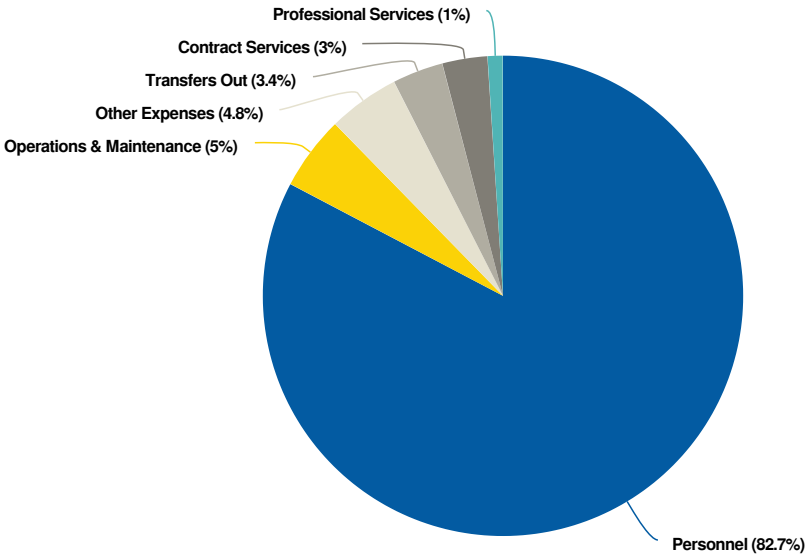
Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)

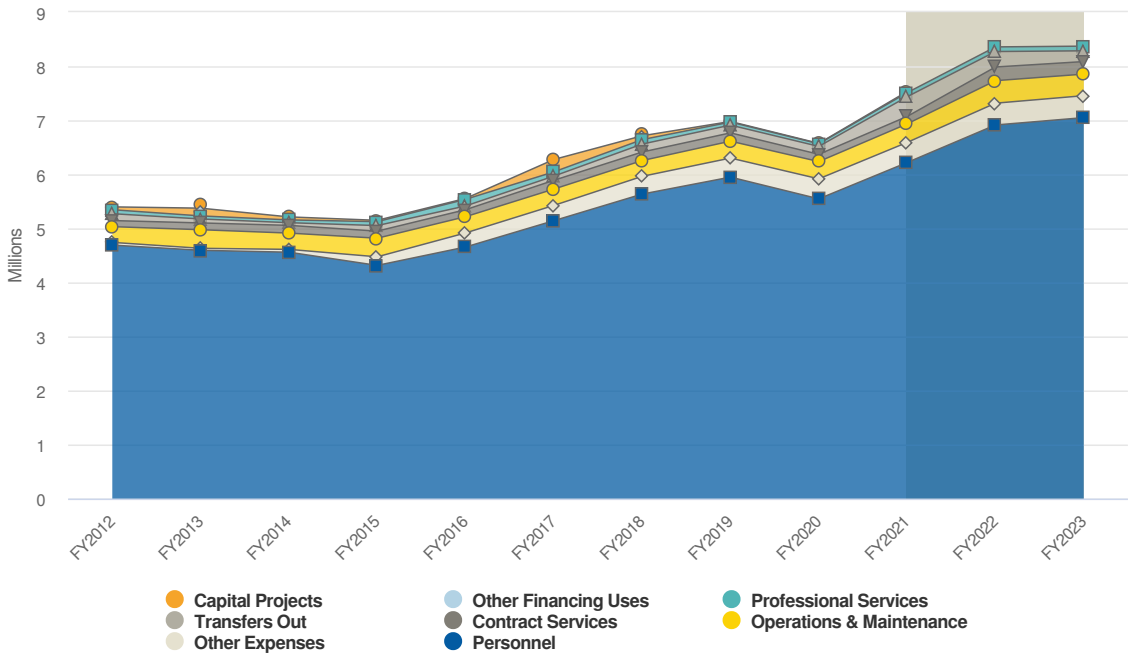
Name	FY2018 Actual	FY2019 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
General Fund							
Personnel	$5,416,072	$5,702,355	$5,905,202	$6,614,665	$6,747,961	12%	2%
Professional Services	$57,805	$53,316	$66,579	$77,321	$77,835	16.1%	0.7%
Contract Services	$95,258	$102,644	$61,274	$189,164	$167,918	208.7%	-11.2%
Operations & Maintenance	$238,812	$259,140	$248,930	$307,217	$277,969	23.4%	-9.5%
Other Expenses	$189,216	$201,676	$220,176	$258,172	$255,564	17.3%	-1%
Capital Projects	$69,863	$10,860	$2,688	$0	$0	-100%	0%
Transfers Out	$140,493	$144,005	$313,183	$210,032	$199,283	-32.9%	-5.1%
Total General Fund:	**$6,207,518**	**$6,473,996**	**$6,818,032**	**$7,656,570**	**$7,726,530**	**12.3%**	**0.9%**
Parking Enterprise Fund							
Personnel	$218,300	$246,069	$313,406	$298,163	$301,301	-4.9%	1.1%
Professional Services	$24,932	$3,159	$8,500	$8,500	$8,500	0%	0%
Contract Services	$62,670	$50,784	$75,683	$64,083	$64,083	-15.3%	0%
Operations & Maintenance	$53,640	$53,550	$94,459	$109,198	$121,229	15.6%	11%
Other Expenses	$138,954	$150,797	$151,756	$145,474	$150,480	-4.1%	3.4%
Capital Projects	$615	$0	$18,732	$0	$0	-100%	0%
Other Financing Uses	$42,475	$0	$0	$0	$0	0%	0%
Transfers Out	$6,534	$0	$51,631	$76,031	$0	47.3%	-100%
Total Parking Enterprise Fund:	**$548,121**	**$504,358**	**$714,166**	**$701,449**	**$645,593**	**-1.8%**	**-8%**
Total:	**$6,755,639**	**$6,978,354**	**$7,532,198**	**$8,358,019**	**$8,372,122**	**11%**	**0.2%**

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Expense Objects							
Personnel							
Salaries & Wages	$3,327,228	$3,436,851	$3,708,699	$4,125,284	$4,148,431	11.2%	0.6%
Benefits	$2,307,145	$2,511,573	$2,509,909	$2,787,543	$2,900,830	11.1%	4.1%
Total Personnel:	**$5,634,372**	**$5,948,424**	**$6,218,608**	**$6,912,828**	**$7,049,261**	**11.2%**	**2%**
Professional Services	$82,737	$56,475	$75,079	$85,821	$86,335	14.3%	0.6%
Total Professional Services:	**$82,737**	**$56,475**	**$75,079**	**$85,821**	**$86,335**	**14.3%**	**0.6%**
Contract Services	$157,928	$153,427	$136,957	$253,247	$232,001	84.9%	-8.4%
Total Contract Services:	**$157,928**	**$153,427**	**$136,957**	**$253,247**	**$232,001**	**84.9%**	**-8.4%**
Operations & Maintenance	$292,452	$312,690	$343,388	$416,415	$399,198	21.3%	-4.1%
Total Operations & Maintenance:	**$292,452**	**$312,690**	**$343,388**	**$416,415**	**$399,198**	**21.3%**	**-4.1%**
Other Expenses	$328,170	$352,473	$371,932	$403,646	$406,044	8.5%	0.6%
Total Other Expenses:	**$328,170**	**$352,473**	**$371,932**	**$403,646**	**$406,044**	**8.5%**	**0.6%**
Capital Projects	$70,478	$10,860	$21,419	$0	$0	-100%	0%
Total Capital Projects:	**$70,478**	**$10,860**	**$21,419**	**$0**	**$0**	**-100%**	**0%**
Other Financing Uses	$42,475	$0	$0	$0	$0	0%	0%
Total Other Financing Uses:	**$42,475**	**$0**	**$0**	**$0**	**$0**	**0%**	**0%**
Transfers Out	$147,027	$144,005	$364,814	$286,063	$199,283	-21.6%	-30.3%
Total Transfers Out:	**$147,027**	**$144,005**	**$364,814**	**$286,063**	**$199,283**	**-21.6%**	**-30.3%**
Total Expense Objects:	**$6,755,639**	**$6,978,354**	**$7,532,198**	**$8,358,019**	**$8,372,122**	**11%**	**0.2%**

Accomplishments in Prior Two-Year Budget

Police Operations and Support

- Community Camera (ComCam) Program expansion. Original Community Camera Program included research, identification, and purchase of a modular camera system that was adequate and infinitely expandable. Due to the obsolescence of previous technology, the Police Department worked with IT to identify new technology with a new vendor that will integrate all camera systems within the city. Much of the technology has been installed with phase one fully functional.
- CALEA re-accreditation. The department is currently maintaining over 525 CALEA standard files, continuing its accreditation endeavor. In August 2020, the Pismo Beach Police Department obtained its 4th re-accreditation and 5th overall. The national accreditation awarded to the Police Department continues to exceed best practice and community expectations as the Police Department strives to deliver the best possible service Pismo Beach deserves.
- Communication Center accreditation. The CALEA Public Safety Communications Accreditation Program provides a communications center, or the communications unit, of a public safety agency, with a process to systematically review and internally assess its operations and procedures. The police department successfully completed its self-assessment phase to include policy reform, procedures, and systems to meet the stringent standards for a stand-alone accreditation for the communications center itself. In August 2020, the commission provided a delegation to complete an on-site assessment for the center which resulted in the Pismo Beach Police Department's communication center achieving its first national accreditation.
- Technology replacement. Current technological equipment used in marked patrol vehicles obtained in 2012 are now old and obsolete. New technologies emerged on the market that will assist the department to complete tasks efficiently and safely. These technologies include mobile date computers and in-car video systems. All of the systems were procured and are being installed as fleet vehicles are replaced.
- Police Station security surveillance system. The old camera system used for the security of the police department was an old Costco-brand multi-channel with DVR recording. With assistance from the IT department developing and instituting a system that integrates all camera systems within the City, new station surveillance cameras are online and included in the overall system.
- Assembly Bill 748 compliance software. Assembly bill 748 increased the availability to the public of law enforcement video through requests made under the California Public Records Act. Software to produce copies with the technological ability to protect individual's privacy was purchased and installed to meet this mandate.
- Communication Center services contract. Over the last 5 years the Police Department's communication center recruited and retained highly professional communications officers, upgraded 9-1-1 radio equipment and hardware, and achieved national accreditation through CALEA. This was all completed to position the communications center to offer dispatch service to neighboring jurisdictions. At this time, one additional agency will be moving to contract those services.
- Parking meter expansion and remote payment / inventory technology. The City of Pismo Beach Parking Bureau continued expansion of single space meters. This included the 700 block of Cypress. Along with the expansion of the meters, the parking bureau has installed and launched the Park Smarter App to help locate available parking spaces and facilitate online payment.

Parking

- Implemented single-space meter expansion
- Updated rate schedule for parking management
- Processed new parking solutions vendor and deployed new systems
- Research and Develop Smart Parking availability locator

Work Program Highlights for Next Two-Year Budget

Police Operations and Support - City Goal: Public Safety

- Continued Community Camera Program expansion. The Police Department desires to maintain a year-to-year funding process to expand the most recent procurement and placement of community cameras (ComCam) as designed by its modular capabilities. By adding community cameras every year in priority set forth by needs assessment, the most vulnerable or high-profile locations in the city will have video coverage. This coverage will be utilized for traffic monitoring, emergency planning, criminal investigation, and crime reduction.

- Employee early warning system software. IAPro is a system utilized internationally to streamline the professional standards process. It will organize, analyze, and manage issues for all employees and issue alerts for possible future problems. The program serves as an early warning system for the department and covers numerous CALEA requirements and standards. The supplemental Blue Team software is designed to support patrol, command, and supervisory staff. It enables complaints, uses-of-force, vehicle collisions, and pursuits to be entered and managed by supervisors. A system such as this was recommended during the previous accreditation process by CALEA.

- Criminal investigation online law enforcement data sharing network. The ability for instantaneous and reliable share of information enhances efficiency with law enforcement criminal investigations. The use of this regional and national information is a force multiplier to solve crime and prevent victimization. LexisNexis offers the ability to develop leads using multi-agency information sharing. Several agencies within the County of San Luis Obispo have already subscribed to this platform.

- Community Service Technician Program. A need for additional municipal code enforcement in the downtown area, specifically the pier and pier plaza area, has been identified. A pilot program has been authorized and is currently being implemented to meet these needs utilizing current parking officers. Upon a successful pilot program, Community Services Technician positions will be created. These part-time positions (6) will provide both parking and municipal code enforcement for the city. The increase in wages for these positions listed below will be added to the current parking temporary employee budget.

- Electric Parking Bureau Enforcement and Collection Vehicle. The Parking Bureau is currently using a compact gas-powered SUV for all aspects of parking operations including transportation of collection revenue, kiosk and meter maintenance, parking enforcement, customer service and troubleshooting, parking enforcement operations, as well as patrol. The size of the current vehicle has limited its use in the downtown corridor during normal operation hours due to traffic congestion and limited space to stop or park requiring a specialized vehicle for the sole use of the parking bureau. Desirable specifications for this vehicle should include a narrow track width, electric power, a closed occupant cab for inclement weather, and a securable utility area capable of carrying collection revenue, coin collection equipment, kiosk and meter parts, tools, and general parking enforcement supplies.

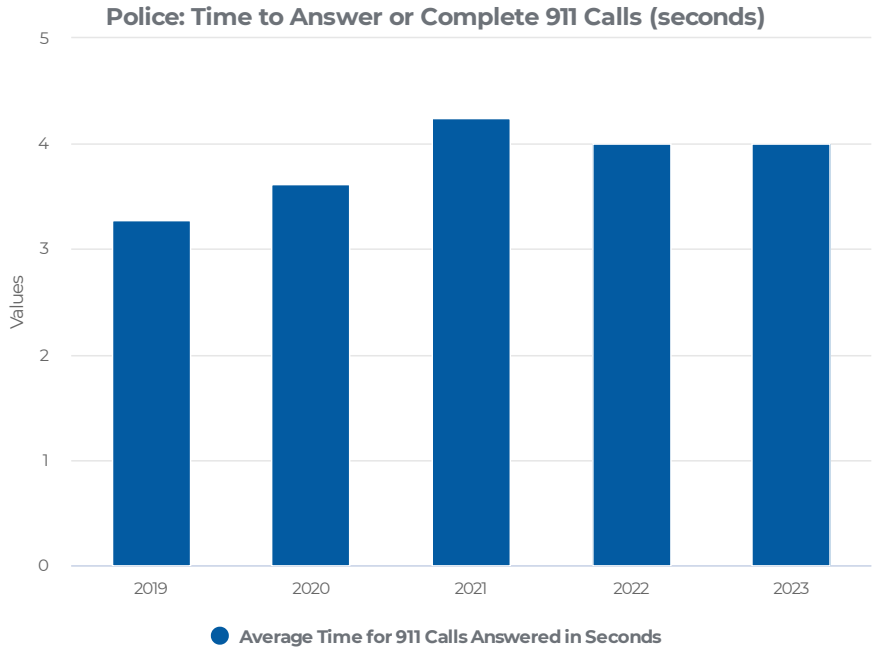
- Primary Weapon System Upgrade. As technology advances, more law enforcement agencies have taken notice of advantages the Red Dot aiming system provides to include acquiring a target faster, increased accuracy, and return to target after firing quicker than traditional iron sights. The current weapon system used by patrol, purchased nearly ten years ago, are not designed to support the Red Dot aiming systems and would require significant modifications. This would create a liability issue, reduce the resale value and void any warranties.

Parking: City Goal: Traffic, Circulation, and Parking

- Complete the Parking Management Plan
- Establish a dynamic sign plan
- Implement electronic citation capabilities with current vendor (through existing software company)
- Improve citation records system and fine collection solution
- Continue to identify opportunities for additional parking
- Purchase a parking enforcement vehicle
- Purchase and install license plate reader (LPR) technology for the parking enforcement vehicle
- Establish monthly maintenance contract for parking meters

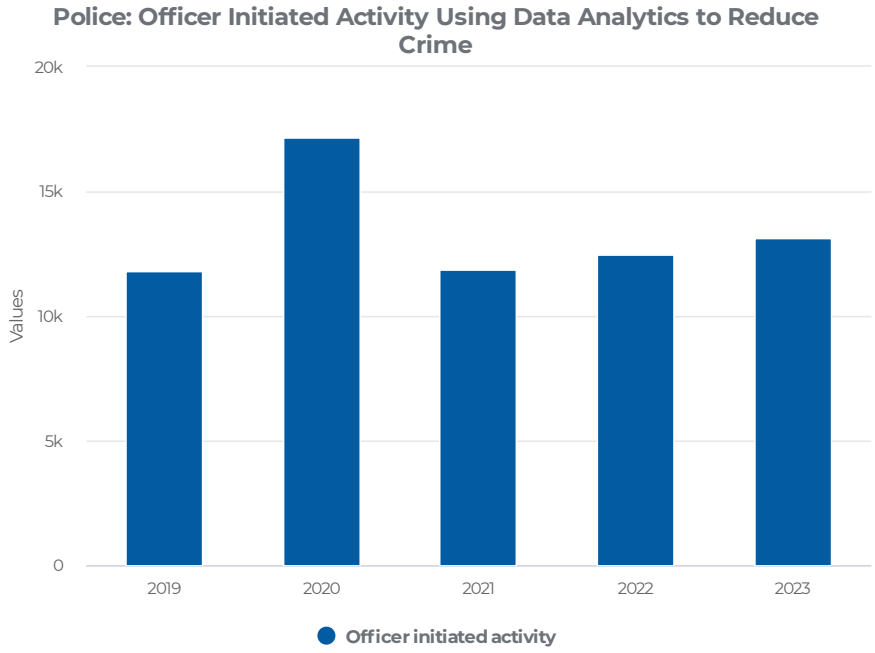
Performance Measure: Police Time to Answer 911 Calls

The Police Department Operations Division strives to provide the highest level of communication service to exceed the needs of callers by ensuring prompt dispatch services by maintaining or exceeding Cal OES 911 call time standards of 15 seconds. The Department uses technology and the computer-aided dispatch system to efficiently track and route pertinent information correctly. The Department aims to meet or exceed the national standard. **This performance measure contributes towards the City Goal of Public Safety to address and respond to calls for service efficiently.**



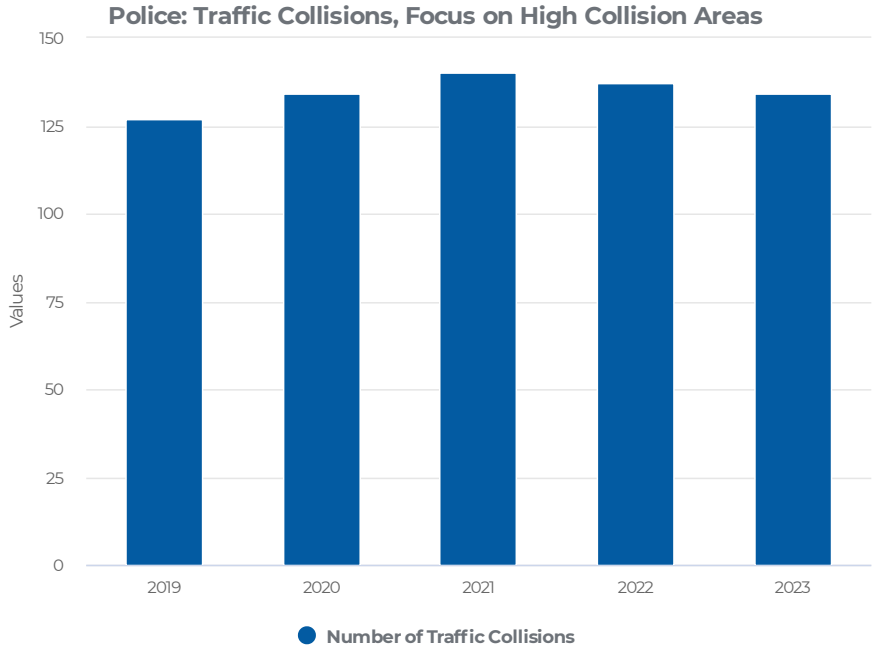
Performance Measure: Police Officer Initiated Activity to Reduce Crime

The Police Department Operations Division strives to reduce crime through intelligence-led policing by increasing its proactive officer-initiated activity. The Department focuses patrol operation resources on high crime areas through the use of data analytics. The Department aims to increase its officer initiated activity by 5% each year. **This performance measure contributes towards the City Goal of Public Safety to help reduce crime.**



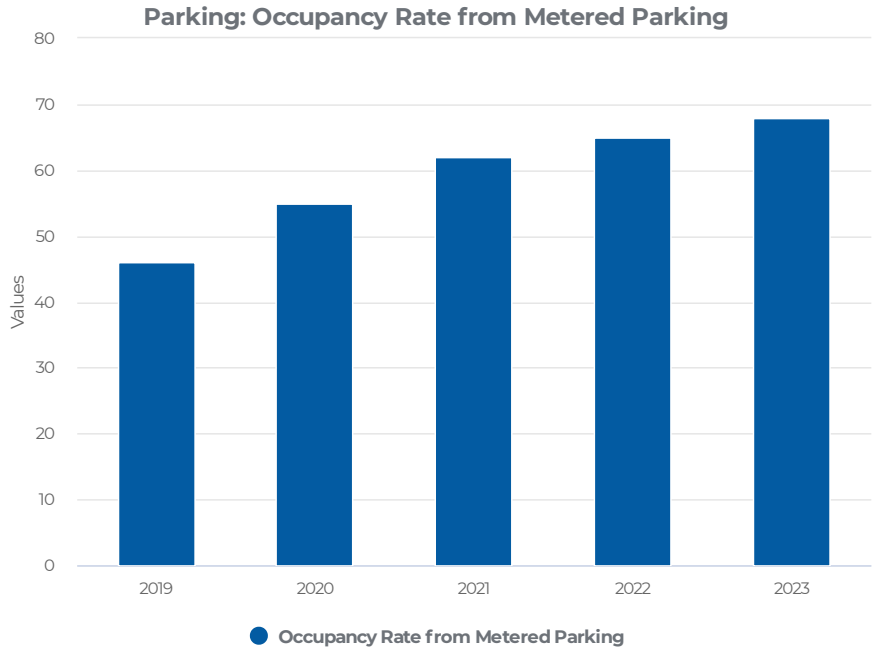
Performance Measures: Police: Traffic Collisions

The Police Department Operations Division strives to provide a high level of traffic safety within the City. The Department conducts selective traffic enforcement, focusing on primary collision factors in high collision areas. The Department aims to decrease traffic collisions by 2% each year. **This performance measure contributes towards the City Goal of Public Safety to help improve traffic safety.**



Performance Measure: Parking, Metered Parking Occupancy Rate

The Police Department Parking Division implements demand-based pricing for its parking meters to ensure no more than 85% of metered parking is occupied so that there is available parking. Metered parking occupancy rates fluctuate throughout the year depending on the season and various events. The Department reviews monthly occupancy rates and adjusts the hourly parking rate to increase parking meter usage using data analytics. **This performance measure contributes towards the City Goal of Traffic, Circulation, and Parking by helping visitors reduce traffic and improve circulation by providing available parking. The demand-based pricing helps the Parking Division to meet its objectives.**



Fire



Paul Lee
Fire Battalion Chief

The Fire Department is responsible for protecting life, property, and the environment. The primary services the Fire Department provides include responding to emergency medical incidents, traffic collisions, hazardous material responses, fires, and rescues. Staff also provides fire prevention, enforcement, and public education services. Seasonally, the department is responsible for the provision of lifeguard services along the beach and weed abatement as a wildfire safety precaution.

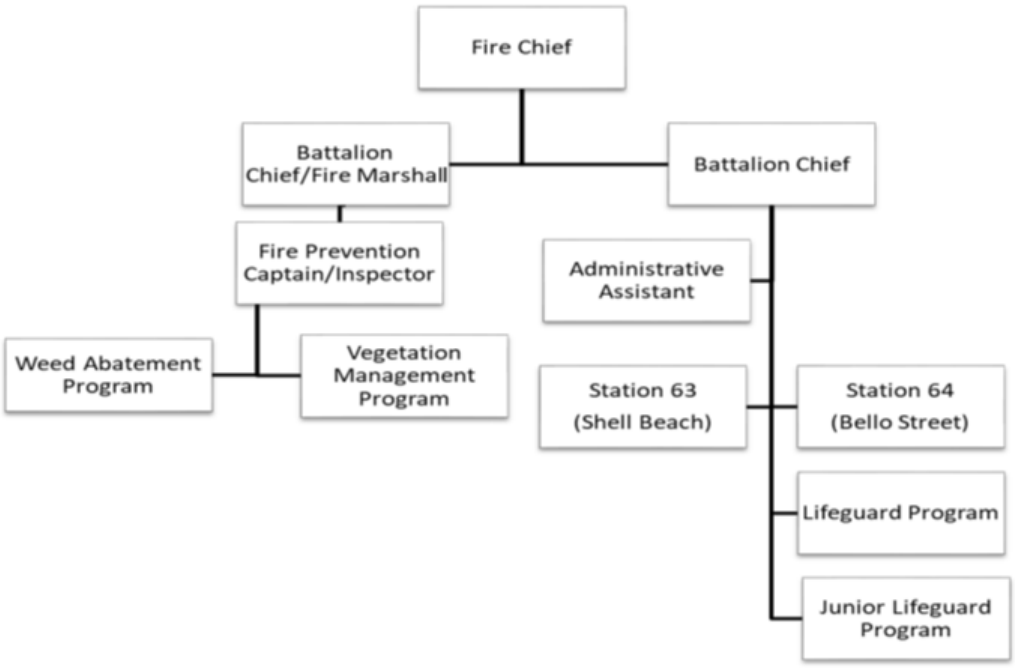
The Fire Operations Division is responsible for the staffing and operation of two fire stations within the City–-the Bello Street Fire Station (#64) and the Shell Beach Fire Station (#63). The primary services provided include responding to emergency medical incidents, traffic collisions, hazardous material incidents, fires, and rescues. Staff also provides fire prevention, enforcement, and public education services. Fire services are currently provided through a contract with Cal Fire (California Department of Forestry and Fire Protection), with paid staff operating out of both the Bello Street (#64) and Shell Beach (#63) Fire Stations.

The Weed Abatement program is responsible for managing vegetation to assist in mitigating fire hazards in the interface between urban and wild land areas. To achieve this goal, specific responsibilities include: inspecting the entire City each spring for designated fire hazards; notifying affected property owners and giving them the opportunity to remove the hazards on their own; administering the bid process to hire a contractor to remove hazards on City property and on private property where the property owner does not mitigate hazards by the established deadline; and preparing and submitting property tax bill liens for reimbursement of the City's costs of removing fire hazards on private property.

The Lifeguard Program is responsible for providing elevated life and beach safety to the residents of and visitors to Pismo Beach. To meet this responsibility, five lifeguard towers are staffed throughout the tourist season from Memorial Day through Labor Day. Staff within this seasonal program are, likewise, actively involved in supervising the Junior Lifeguard program.

Organizational Chart

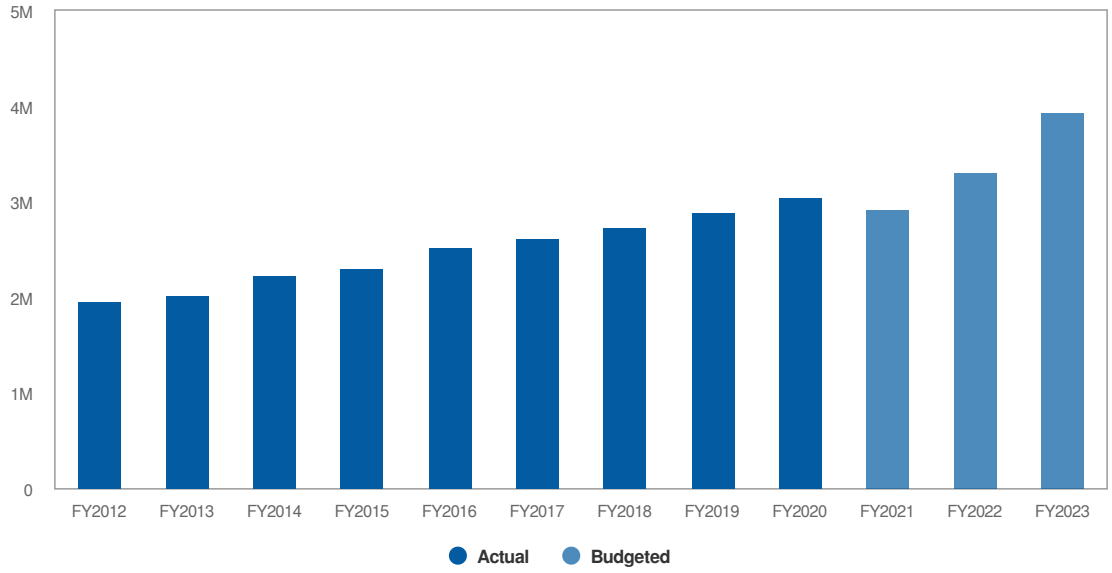
Additional staffing includes temporary Seasonal Lifeguards in the Lifeguard program.



Expenditures Summary

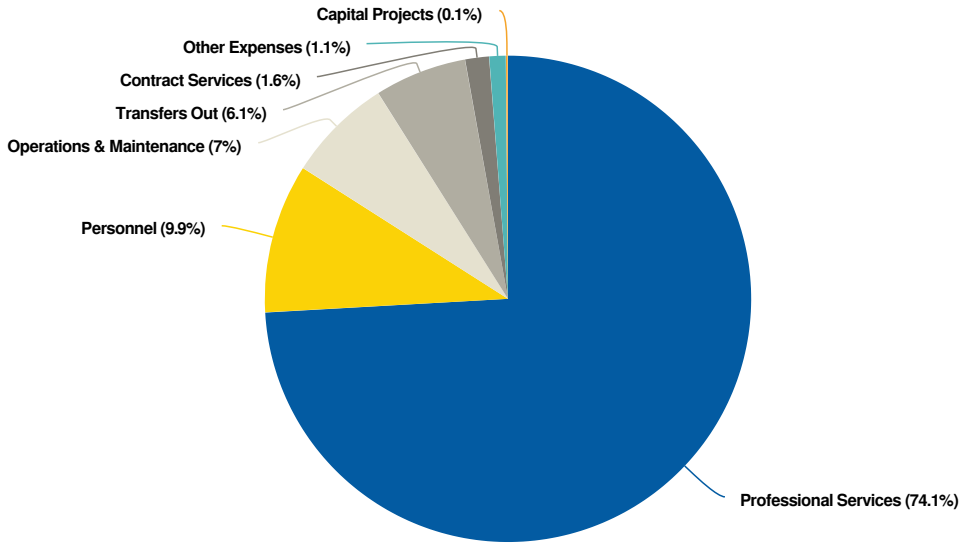
$3,316,153 $390,457
(13.35% vs. prior year)

Fire Proposed and Historical Budget vs. Actual

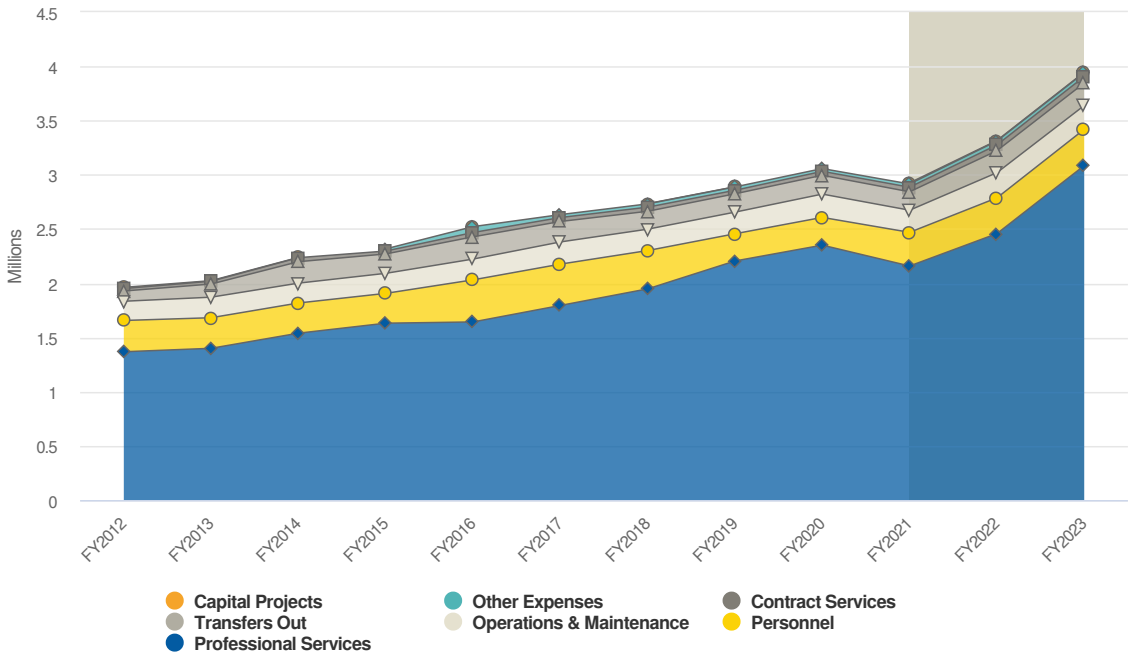


Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Grey background indicates budgeted figures.

Name	FY2018 Actual	FY2019 Actual	FY2021 Amended Budget	FY2022 Adopted Budget	FY2023 Adopted Budget	FY2021 Amended Budget vs. FY2022 Budgeted (% Change)	FY2022 Adopted Budget vs. FY2023 Adopted Budget (% Change)
Expense Objects							
Personnel							
Salaries & Wages	$210,041	$160,259	$147,904	$156,429	$160,329	5.8%	2.5%
Benefits	$143,269	$90,902	$162,606	$173,293	$174,284	6.6%	0.6%
Total Personnel:	**$353,311**	**$251,161**	**$310,510**	**$329,722**	**$334,613**	**6.2%**	**1.5%**
Professional Services	$1,947,843	$2,204,896	$2,158,723	$2,457,547	$3,085,028	13.8%	25.5%
Total Professional Services:	**$1,947,843**	**$2,204,896**	**$2,158,723**	**$2,457,547**	**$3,085,028**	**13.8%**	**25.5%**
Contract Services	$38,192	$32,496	$42,520	$53,100	$59,100	24.9%	11.3%
Total Contract Services:	**$38,192**	**$32,496**	**$42,520**	**$53,100**	**$59,100**	**24.9%**	**11.3%**
Operations & Maintenance	$197,176	$199,411	$204,056	$232,179	$219,345	13.8%	-5.5%
Total Operations & Maintenance:	**$197,176**	**$199,411**	**$204,056**	**$232,179**	**$219,345**	**13.8%**	**-5.5%**
Other Expenses	$30,166	$30,945	$29,816	$36,214	$35,874	21.5%	-0.9%
Total Other Expenses:	**$30,166**	**$30,945**	**$29,816**	**$36,214**	**$35,874**	**21.5%**	**-0.9%**
Capital Projects	$2,313	$1,529	$10,294	$4,500	$4,500	-56.3%	0%
Total Capital Projects:	**$2,313**	**$1,529**	**$10,294**	**$4,500**	**$4,500**	**-56.3%**	**0%**
Transfers Out	$164,973	$169,097	$169,778	$202,892	$207,965	19.5%	2.5%
Total Transfers Out:	**$164,973**	**$169,097**	**$169,778**	**$202,892**	**$207,965**	**19.5%**	**2.5%**
Total Expense Objects:	**$2,733,973**	**$2,889,535**	**$2,925,697**	**$3,316,153**	**$3,946,424**	**13.3%**	**19%**

Accomplishments in Prior Two-Year Budget

- Explored funding options and completed a scoping study for a new fire station and pursued development of the most appropriate facility
- Replaced Rescue Watercraft
- Replaced Junior Lifeguard Program Trailer
- Lead Lifeguard Retention Program
- Obtained a grant and purchased 4 Communication kits
- Implemented Vegetation Management Projects for:
    - Avila Fire rehab
    - Cave/Bluffs
    - Chumash Park
    - Coral Court
    - Frady/CALTRANS
    - Heights Escape Route thinning
    - Pismo Preserve
    - Price House

Work Program Highlights for Next Two-Year Budget

City Goal: Public Safety

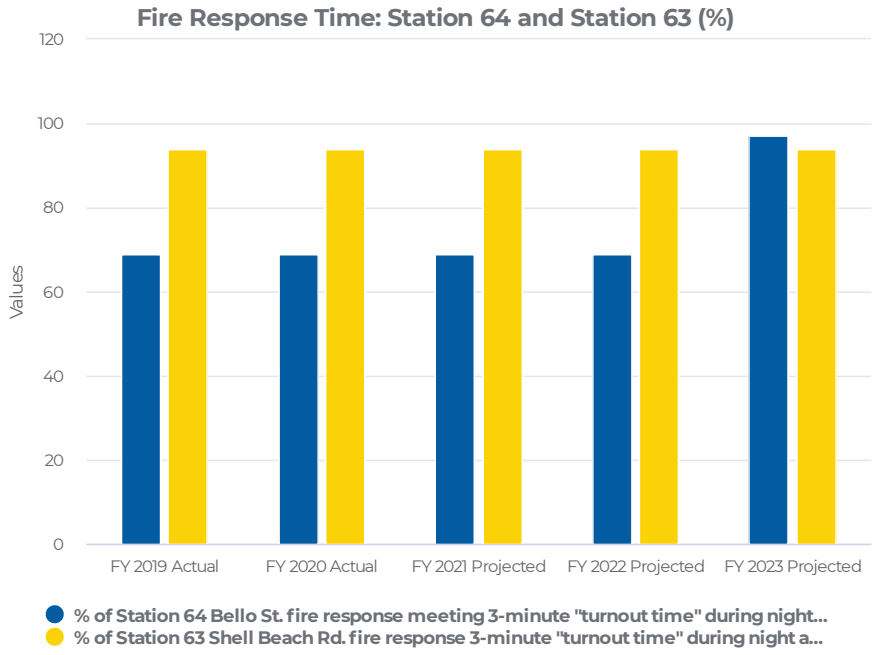
- Continue to work with City staff on City Council's direction for a new Emergency Services facility
- Replace Fire Utility vehicle
- Replace Fire Engine
- Replace Lifeguard Tower
- Update State Typing of Rescue 64
- Complete replacement of the last outdated Automated External Defibrillator
- Review high-risk areas within the City requiring fuel reduction to reduce impact from a damaging wildfire
- Continue Vegetation Management Projects (VMP) including Regional Projects for:
    - Bluffs/Cave VMP
    - Chumash Park VMP
    - Ontario VMP
    - Pismo Preserve VMP
    - Price Canyon VMP
    - Squire/Shell Beach tie-in
    - Lighthouse RX
    - Gragg Canyon VMP and RX

Performance Measure: Fire Response Time

The Fire Department's Fire Prevention Division provides emergency response within designated times set by the National Fire Protection Association (NFPA). The NFPA industry standard response time is a 3-minute "turnout time" during the night and 1-minute during the day. **This performance measure contributes towards the City Goals of:**

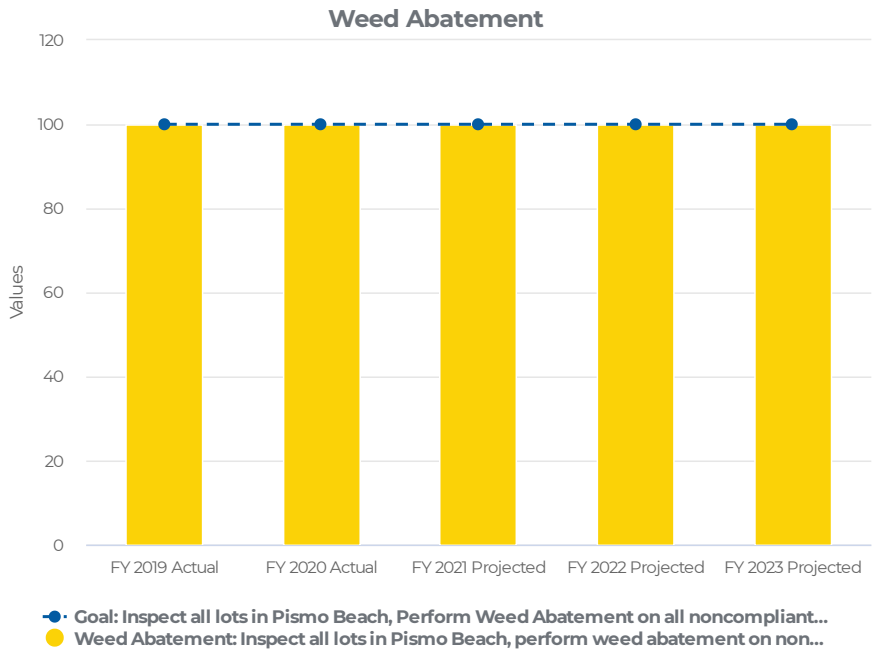
- **Public Safety** by helping residents, visitors, public and private facilities, and open spaces be safe from fire and helping our residents and visitors have a high level of emergency response.
- **Community Character and Quality of Life for Residents** to provide excellent customer service to the community and fire and emergency medical response times preserve quality of life for residents

Note that due to the Public Safety Facility planned to be built by FY 2023, Fire staff anticipate an increased response time from the new Station 64. Currently, Fire Station 64 is made up of multiple buildings, where the resident quarters are separate from the fire truck garage, which adds time to respond to emergencies.



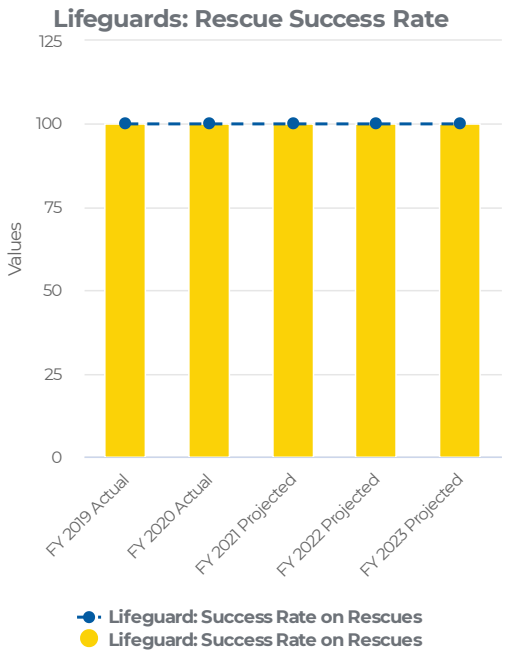
Performance Measure: Weed Abatement for Fire Prevention

The Fire Department's Fire Prevention Division Weed Abatement Program includes the proactive inspection of all lots in Pismo Beach and performs weed abatement on all non-compliant lots. **This performance measure contributes towards the City Goal of Public Safety** by helping residents, visitors, public and private facilities, and open spaces be safe from fire. The objective is to inspect all 4,600 lots and ensure compliance. The Fire Department anticipates continuing to maintain its 100% success rate.



Performance Measure: Lifeguard Rescue Success Rate

The Fire Department's Lifeguard Program aims to staff and manage the City of Pismo Beach Lifeguard Program, maintain lifeguard skills and proficiency that meet or exceed USLA standards, and educate the public regarding beach and water safety. In order to keep the public safe while in the surf zone by preventing any irreversible injury, the lifeguards track a daily log of the success rate of all rescues, which is 100%. **This performance measure contributes towards the City Goal of Public Safety** by keeping the public safe while in the surf zone by preventing any irreversible injury.



CAPITAL IMPROVEMENTS



Capital Improvement Projects by Fund

Capital improvement projects are identified in this budget document as those projects that are at least $20,000 over the life of the project and have a useful life of at least 3 years. These projects include improvements to buildings, facilities, or other infrastructure, or large capital purchases of equipment. The specific capital improvement projects adopted as additions to the budget are listed in the Capital Improvement Projects section as part of the overall capital improvements budget, including projects in all City funds. Brief project descriptions are provided on the capital improvement project detail pages.

Total new capital improvement projects are $35,496,981 in FY 2022 and $2,104,800 in FY 2023, for a total of $37,601,781 over both years. This does not include capital projects that are included in the baseline budget. Baseline capital projects include scheduled replacement vehicle purchases and other previously approved ongoing capital projects and account for $288,300 in FY 2022 and $1,022,300 in FY 2023.

In calculating year-end fund balances, staff assumed that each capital improvement project budgeted in FY 2021 will either be completed by June 30, 2021 or that City funds allocated for the projects will be transferred to the appropriate construction fund or carried forward at fiscal year-end. Many of those budgeted projects from FY 2021 and prior have been completed, several have begun with contract encumbrances and expenditures recorded against them, and others have been delayed without any expenditure. By completing transfers to the construction funds for those projects that are underway, the amounts allocated from the General Fund or other funds are secured and reserved to pay for the specific projects. Uncommitted project budget amounts for projects not yet under way will be carried forward in the fund from which the project is being financed. Ultimately, the City Council maintains control of expenditures by virtue of the requirement that all construction contracts and all professional services contracts in excess of $50,000 be approved by Council.

The following three Capital Project tables list the total amount of capital projects by fund. The first table includes all capital projects by fund, including both new (Work Plan) and baseline budget capital projects. The second table includes just the new Work Plan capital projects. The third table includes just the baseline capital projects.

Capital Projects by Fund – Work Plans and Baseline Budget

Fund Title	FY 2022	FY 2023
General Fund	$ 4,500	$ 4,500
Capital Projects	31,512,000	1,155,000
Park Development Fund	225,000	-
Water Enterprise Fund	83,000	83,000
Water Construction Fund	679,300	910,800
Wastewater Treatment Fund	40,800	40,800
Wastewater Capital Projects	164,000	39,000
Parking Enterprise Fund	2,681,681	-
Technology Service Fund	256,000	21,000
Motor Vehicle Fund	252,600	914,800
Total	$35,898,881	$3,168,900

New Work Plan Capital Projects by Fund

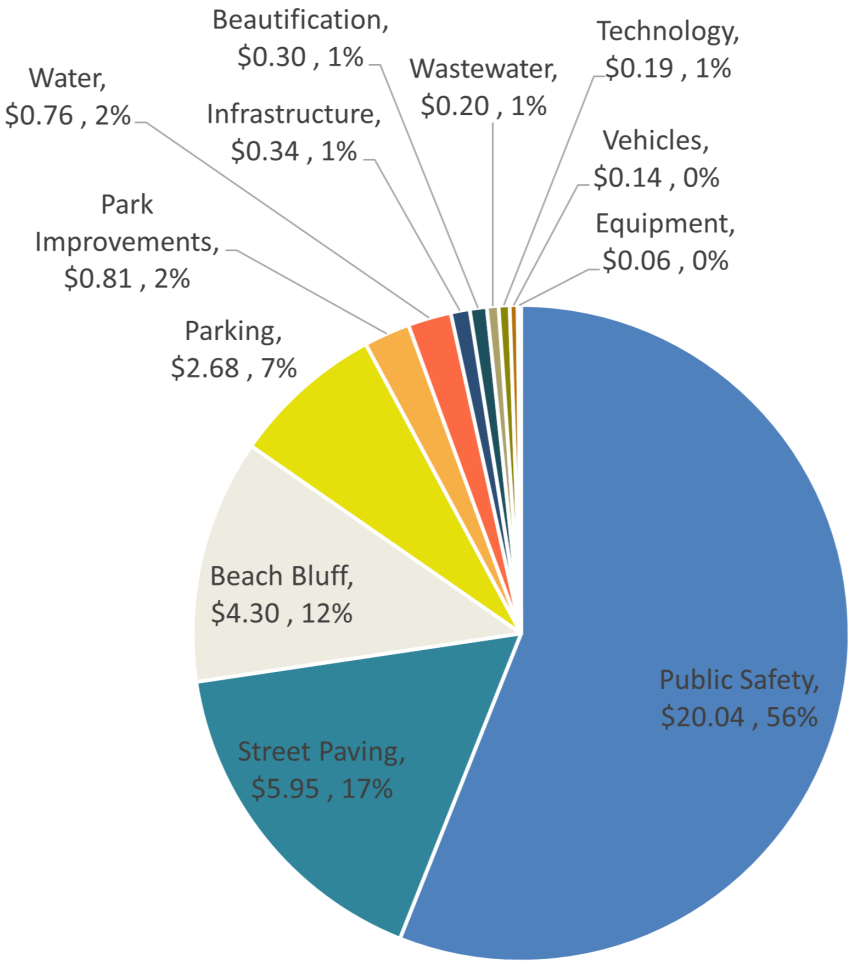
Fund Title	FY 2022	FY 2023
Capital Projects	$ 31,512,000	$ 1,155,000
Park Development Fund	225,000	
Water Enterprise Fund	-	
Water Construction Fund	679,300	910,800
Wastewater Capital Projects	164,000	39,000
Parking Enterprise Fund	2,681,681	
Technology Service Fund	235,000	
Total	$35,496,981	$2,104,800

Baseline Budget Capital Projects by Fund

Fund Title	FY 2022	FY 2023
General Fund	$ 4,500	$ 4,500
Water Enterprise Fund	83,000	83,000
Wastewater Treatment Fund	40,800	40,800
Technology Service Fund	21,000	21,000
Motor Vehicle Fund	139,000	873,000
Total	$288,300	$1,022,300

Capital Improvements by Category

The following pie chart illustrates the FY 2022 Capital Projects by Category. Most of the City's capital projects are budgeted in the first year of the two-year budget.



Capital Improvement by Project and Fund

The following table lists the capital projects by category and project title for FY 2022 and FY 2023. Note that several categories are the City's goals, including: Water Supply, Conservation, and Central Coast Blue; Traffic, Circulation, and Parking; Public Safety; and Community Investments.

FY 2022 Capital Improvements by Project and Fund

Category	Project Title	Capital Projects	Park Development Fund	Water Construction Fund	Wastewater Capital Projects	Parking Enterprise Fund	Technology Service Fund	All Funds Total
Beach Access, Bluff protection, Drainage	Ocean Boulevard Improvements	4,300,000						4,300,000
Beach Access, Bluff protection, Drainage Total		**4,300,000**						**4,300,000**
Build a state-of-the-art fire facility, Modernize and expand the police station Preserve the facade of the historic city hall	Public Safety Facility	20,000,000						20,000,000
Build a state-of-the-art fire facility, Modernize and expand the police station Preserve the facade of the historic city hall Total		**20,000,000**						**20,000,000**
Continue work on downtown parking solutions	Parking Garage					1,931,681		1,931,681
	Parking property paving					750,000		750,000
Continue work on downtown parking solutions Total						**2,681,681**		**2,681,681**
Deliver exceptional services to the public	Electronic Plan Check Equip						60,000	60,000
Deliver exceptional services to the public Total							**60,000**	**60,000**
Implement community beautification strategies (e.g., James Way Beautification Plan), and establishing City policy about tree planting programs	James Way Beautification	300,000						300,000
Implement community beautification strategies (e.g., James Way Beautification Plan), and establishing City policy about tree planting programs Total		**300,000**						**300,000**
Improve bike and pedestrian options	Signalize Bello/Price Canyn							
Improve bike and pedestrian options Total								

Category	Project Title	Capital Projects	Park Development Fund	Water Construction Fund	Wastewater Capital Projects	Parking Enterprise Fund	Technology Service Fund	All Funds Total
Invest in neighborhoods, including road, sidewalk and park improvements	Price Hist.Park/Meherin House		65,000					65,000
	Park Sign Updates	145,000						145,000
	FY 2022 Paving Project	5,650,000						5,650,000
	Spyglass Sidewalk US-101	300,000						300,000
	Chumash Park	350,000						350,000
	Palisades Park		100,000					100,000
	Beach Swing Replace-	36,000						36,000
	Water bottle filling	56,000						56,000
	Bypass Pump		60,000					60,000
	Hinds/Ocean View Ped							
	Spyglass Dog Park							
Invest in neighborhoods, including road, sidewalk and park improvements Total		**6,537,000**	**225,000**					**6,762,000**
Public Safety	Security Camera System Wadsworth Underpass	40,000						40,000
Public Safety Total		**40,000**						**40,000**
Relocate tennis courts located at site of the future public safety center and add basketball courts/pickleball court to offer improved recreational opportunities for residents at the new site.	Tennis Bball Court relocation	335,000						335,000
Relocate tennis courts located at site of the future public safety center and add basketball courts/pickleball court to offer improved recreational opportunities for residents at the new site. Total		**335,000**						**335,000**
Technology	Permitting software						175,000	175,000
Technology Total							**175,000**	**175,000**
Traffic, Circulation, and Parking	Shell Beach parking lot							
Traffic, Circulation, and Parking Total								
Water Supply, Conservation, and Central Coast Blue (Sustainability)	Shell Beach Reserv 1 Replace.			570,000				570,000
	Pacific Estates Resv.			109,300				109,300
Water Supply, Conservation, and Central Coast Blue (Sustainability) Total				**679,300**				**679,300**
WW	Bypass Pump				164,000			164,000
WW Total					**164,000**			**164,000**
All Projects Total		**$ 31,512,000**	**$ 225,000**	**$ 679,300**	**$ 164,000**	**$ 2,681,681**	**$ 235,000**	**$35,496,981**

FY 2023 Capital Improvements by Project and Fund

Category	Project Title	Capital Projects	Water Construction Fund	Wastewater Capital Projects	All Funds Total
Implement Central Coast Blue, working with partner agencies	New Production Well		500,000		500,000
Implement Central Coast Blue, working with partner agencies Total			**500,000**		**500,000**
Improve bike and pedestrian options	Signalize Bello/Price Canyn Rd	600,000			600,000
Improve bike and pedestrian options Total		**600,000**			**600,000**
Invest in neighborhoods, including road, sidewalk and park improvements	Hinds/Ocean View Ped Path	180,000			180,000
	Spyglass Dog Park	75,000			75,000
Invest in neighborhoods, including road, sidewalk and park improvements Total		**255,000**			**255,000**
Public Safety	Security Camera System	25,000			25,000
	Wadsworth Underpass lighting	100,000			100,000
Public Safety Total		**125,000**			**125,000**
Traffic, Circulation, and Parking	Shell Beach parking lot	175,000			175,000
Traffic, Circulation, and Parking Total		**175,000**			**175,000**
Water Supply, Conservation, and Central Coast Blue (Sustainability)	Pacific Estates Resv. Mainten.				
	Outlet Center Ramp Waterlines		410,800		410,800
Water Supply, Conservation, and Central Coast Blue (Sustainability) Total			**410,800**		**410,800**
WW	Ferrous Tank Replacement			39,000	39,000
WW Total				**39,000**	**39,000**
All Funds Total		**$ 1,155,000**	**$ 910,800**	**$ 39,000**	**$ 2,104,800**

Adopted Work Plan Capital Projects for FY 2022 & FY 2023

The Capital Projects listed in this table represent the new Capital Projects budgeted for FY 2022 and FY 2023 and do not include existing baseline budget capital projects. These projects are included in the previous Adopted Work Plan Budget Requests for FY 2022 & FY 2023 table.

Category	Project	FY 2022	FY 2023
Beach Access, Bluff protection, Drainage	Morro Ave Stair Replacement	$ 4,300,000	
Beach Access, Bluff protection, Drainage Total		**4,300,000**	
Build a state-of-the-art fire facility, Modernize and expand the police station Preserve the facade of the historic city hall	Public Safety Facility	20,000,000	
Build a state-of-the-art fire facility, Modernize and expand the police station Preserve the facade of the historic city hall Total		**20,000,000**	
Continue work on downtown parking solutions	Parking Garage	1,931,681	
	Parking property paving	750,000	
Continue work on downtown parking solutions Total		**2,681,681**	
Deliver exceptional services to the public	Electronic Plan Check Equip	60,000	
Deliver exceptional services to the public Total		**60,000**	
Implement Central Coast Blue, working with partner agencies	New Production Well		500,000
Implement Central Coast Blue, working with partner agencies Total			**500,000**
Implement community beautification strategies (e.g., James Way Beautification Plan), and establishing City policy about tree planting programs	James Way Beautification	300,000	
Implement community beautification strategies (e.g., James Way Beautification Plan), and establishing City policy about tree planting programs Total		**300,000**	
Improve bike and pedestrian options	Signalize Bello/Price Canyn Rd		600,000
Improve bike and pedestrian options Total			**600,000**
Invest in neighborhoods, including road, sidewalk and park improvements	Price Hist.Park/Meherin House	65,000	
	Park Sign Updates	145,000	
	FY 2022 Paving Project	5,650,000	
	Spyglass Sidewalk US-101	300,000	
	Chumash Park improvements	350,000	
	Palisades Park improvements	100,000	
	Beach Swing Replace-Main Addie	36,000	
	Water bottle filling stations	56,000	
	Bypass Pump	60,000	
	Hinds/Ocean View Ped Path		180,000
	Spyglass Dog Park		75,000
Invest in neighborhoods, including road, sidewalk and park improvements Total		**6,762,000**	**255,000**

Category	Project	FY 2022	FY 2023
Public Safety	Security Camera System	40,000	25,000
	Wadsworth Underpass lighting		100,000
Public Safety Total		**40,000**	**125,000**
Relocate tennis courts located at site of the future public safety center and add basketball courts/pickleball court to offer improved recreational opportunities for residents at the new site.	Tennis Bball Court relocation	335,000	
Relocate tennis courts located at site of the future public safety center and add basketball courts/pickleball court to offer improved recreational opportunities for residents at the new site. Total		**335,000**	
Technology	Permitting software upgrade	175,000	
Technology Total		**175,000**	
Traffic, Circulation, and Parking	Shell Beach parking lot		175,000
Traffic, Circulation, and Parking Total			**175,000**
Water Supply, Conservation, and Central Coast Blue (Sustainability)	Shell Beach Reserv 1 Replace.	570,000	
	Pacific Estates Resv. Mainten.	109,300	
	Outlet Center Ramp Waterlines		410,800
Water Supply, Conservation, and Central Coast Blue (Sustainability) Total		**679,300**	**410,800**
Wastewater	Bypass Pump	164,000	
	Ferrous Tank Replacement		39,000
Wastewater Total		**164,000**	**39,000**
Total Capital Projects		**$ 35,496,981**	**$ 2,104,800**

Adopted Base Budget Capital Projects for FY 2022 & FY 2023

The following table includes capital projects included in the FY 2022 and FY 2023 base budgets. These projects represent items already part of the City's baseline operating budget.

Category	Project	FY 2022	FY 2023
Vehicles	Fire FDU63 Ford F250	$ 64,000	
	PD123 Polaris Ranger	20,000	
	PD171 Police Chevy Tahoe	55,000	
	FDE264 Fire & Ambulance		750,000
	Fire Lifeguard TOWER 1		46,000
	PDHM1 Motorcycle		38,500
	PDHM2 Motorcycle		38,500
Vehicles Total		**139,000**	**873,000**
Technology	Server replacements	18,000	18,000
Technology Total		**18,000**	**18,000**
Wastewater	Pump replacement	40,800	40,800
Wastewater Total		**40,800**	**40,800**
Water	Water Meter Replacements	50,000	50,000
	Water Valve Replacement	33,000	33,000
Water Total		**83,000**	**83,000**
Total Capital Projects		**$ 288,300**	**$ 1,022,300**

10-Year Capital Improvements Plan

In addition to the FY 2022 and FY 2023 Adopted Budget capital improvement projects, the City Council adopted a new 10-Year Capital Improvement Plan (CIP) for FY 2022 through FY 2031. This CIP not only identifies the City's immediate capital needs, but also seeks to capture the long-term capital needs of the City. The 10-Year CIP is consistent with the FY 2022 and FY 2023 Adopted Budgets and the City's General Plan and includes all the various capital projects that staff has identified through a thorough development process. This document is available on the City's website (www.pismobeach.org). The plan will be updated biennially along with the City's biennial budget process and subject to change as the needs of the City become more defined and individual projects move along in their respective planning and budgeting processes.

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DEBT



Debt Overview

The City of Pismo Beach allocates a prudent amount each year for various capital projects for replacement, maintenance, and other capital infrastructure. This type of spending is critical to the City maintaining its vital infrastructure, maintaining safe streets, ensuring clean water quality, and providing wastewater services. The City typically uses built-up unassigned fund balances or net assets to fund these capital projects on a pay-as-you-go basis. However, there are times in which it is appropriate to consider debt financing.

Debt financing is for one-time capital improvement projects, not ongoing operating expenses. The term of the debt issuance should not exceed the useful life expectancy of the asset acquired, constructed, or improved. A funding source for the debt service payments must be identified, including project financing paid for directly by the users of the facility. It is also economical to issue debt if the benefit of the capital improvement will last more than 10 years. The debt service payments would come out of payments by the current residents or visitors benefitting from the project.

The City is subject to California Government Code, of which Section 43605 sets debt limit at 15 percent of the assessed value of all real and personal property of the City. This Code section was enacted prior to the change in basing assessed value to full market value when it was previously 25 percent of market value. Thus, one-fourth of the limit is adjusted and is calculated to be 3.75 percent (15%/4) to show assessed valuation at full cash value. This legal debt margin applies to General Obligation debt.

Based upon the assessed value of $3.57 billion for FY 2020 the City is limited to general obligation indebtedness of $133.88 million. As the City does not have any general obligation debt, the City is within the legal debt limit as described by Government Code.

FY 2020 Legal Debt Margin

Gross Assessed Valuation $3,570,221,656
Debt Margin Ratio (1) 0.0375
Debt Margin $133,883,312
Less: Outstanding General Obligations $ 0.00
Net Debt Margin $133,883,312

General Obligation Debt: The City presently has no general obligation debt.

Lease Revenue Refunding Bonds: The City has one outstanding debt issue of lease revenue refunding bonds with a principal amount outstanding as of June 30, 2020 of $4,085,000. The issuance is lease revenue refunding bonds that are a special or limited obligation of the Pismo Beach Public Financing Authority.

The 2012 Series Bonds refund a 2004 Series that originally funded the Wastewater Treatment Plant Facility upgrade and State Revolving Fund (SRF) Loan Match. As of June 30, 2020, the outstanding principal balance of the 2012 Series is $4,085,000. These bonds mature in 2033. The City makes debt service payments from Wastewater Enterprise Fund revenues.

Lease Revenue Bonds: The City issued Lease Revenue Bonds for the Pier Rehabilitation Project in June 2017. The outstanding principal balance of these bonds as of June 30, 2020 is $7,145,000.

The City issued New Clean Renewable Energy Bonds (CREBs) for the Energy Efficiency Project in December 2017. The outstanding principal balance of these bonds as of June 30, 2020 is $3,802,536.

State Revolving Fund Loans: The City has four State Revolving Fund (SRF) loans for various wastewater capital improvement projects. SRF loans are low-interest loans for investments in water and sanitation infrastructure. The City's SRF loans include a principal outstanding loan amount of $3,435,531 for the Wastewater Treatment Plant, $69,250 for the Park and Cypress Interceptor project, $345,290 for the Pismo Oaks lift station project, and $1,560,077 for the Five Cities Lift Station project as of June 30, 2020. The Five Cities Lift Station current principal balance is $1,560,077 as of June 30, 2020. However, since the project continued to be spent through FY 2021, it is anticipated that this amount will grow to $1,888,030 as approved by the State Water Resources Control Board. Wastewater Enterprise Funds support the annual payments on these loans.

The following debt service tables show (a) the annual payment information and maturity dates for the City's outstanding debt obligations without compensated absences, (b) outstanding debt service and liabilities by fund with compensated absences, and (c) total outstanding debt service by debt obligation and liability. These tables reflect balances as of June 30, 2020.

Outstanding Debt Service Table
Annual Payment Information and Maturity Dates
As of June 30, 2020

Fund	Description	Principal Balance June 30, 2020	Annual P&I* Debt Service Payment	Date Matured	No. of Pmts Remaining
Pier	2017 (A) Series Bonds (Pier Rehabiliation Project)	$ 7,145,000	$ 399,863	12/1/2047	28
CREBS	2017 (B) Series Bonds (CREBS)	$ 3,802,536	$ 306,478	12/1/2037	18
Wastewater	2012 Series Bonds (Wastewater Treatment Facilities & Loan Match Refunding)	$ 4,085,000	$ 417,035	1/1/2033	13
	SRF Loan 2004 (New Wastewater Treatment Plant)	$ 3,435,531	$ 609,259	2/26/2026	6
	SRF Loan 2006 (Park/Cypress Interceptor Project)	$ 69,250	$ 14,647	2/26/2026	6
	SRF Loan 2009 (Pismo Oaks Lift Station Project)	$ 345,290	$ 41,907	1/1/2029	9
	SRF Loan 2019 (Five Cities Lift Station Project)	$ 1,560,077	$ 77,830	6/30/2049	30
	Total Wastewater Fund	$ 9,495,148	$1,160,678		
	Total	$ 20,442,684	$1,867,018		

*P&I represents Principal and Interest payments for future year
** Excludes Compensated Absences

Outstanding Debt Service By Fund
As of June 30, 2020

Fund	Description	July 1, 2019 Beginning Balance	Additions	Retirements	June 30, 2020 Ending Balance	Date Matured	No. of Pmts Remaining
General	Compensated Absences (Employee Leave Balances)	$ 491,565	$ 87,622	$ -	$ 579,187		
	Total General Fund	$ 491,565	$ 87,622	$ -	$ 579,187		
Water	Compensated Absences (Employee Leave Balances)	$ 20,683	$ 10,141	$ -	$ 30,825		
	Total Water Enterprise Fund	$ 20,683	$ 10,141	$ -	$ 30,825		
Wastewater	2012 Series Bonds (Wastewater Facilities & SRF Loan Match Refunding)	4,320,000		(235,000)	4,085,000	1/1/2033	14
	SRF Loan (New Wastewater Treatment Plant)	3,973,155		(537,623)	3,435,531	2/26/2026	7
	SRF Loan (Park/Cypress Interceptor Project)	82,337		(13,087)	69,250	2/26/2026	7
	SRF Loan (Pismo Oaks Lift Station Project)	380,339		(35,049)	345,290	1/1/2029	10
	SRF Loan (Five Cities Lift Station Project)	984,070	576,007	-	1,560,077	6/30/2049	30
	Compensated Absences (Employee Leave Balances)	$ 29,377	15,448	$ -	$ 44,825		
	Total Wastewater Enterprise Fund	$ 9,769,278	$ 591,455	(820,760)	$ 9,539,973		
Pier	2017 (A) Series Bonds (Pier Rehabiliation Project)	7,280,000	-	(135,000)	7,145,000		
	Total Pier Enterprise Fund	$ 7,280,000	-	(135,000)	$ 7,145,000		
CREBS	2017 (B) Series Bonds (CREBS)	3,939,843		(137,307)	3,802,536		
	Total CREBS Debt	$ 3,939,843	-	(137,307)	$ 3,802,536		
Parking	Compensated Absences (Employee Leave Balances)	$ 8,988	$ 1,035	$ -	$ 10,024		
	Total Parking Enterprise Fund	$ 8,988	$ 1,035	$ -	$ 10,024		
MVR	Compensated Absences (Employee Leave Balances)	$ 5,073	$ 4,150	-	$ 9,223		
IT	Compensated Absences (Employee Leave Balances)	$ 2,546	$ 2,413	-	$ 4,959		
	Total	$ 21,517,976	$ 696,817	$ (1,093,067)	$ 21,121,727		

Outstanding Debt Service Table
As of June 30, 2020

Description	July 1, 2019 Beginning Balance	Additions	Retirements	June 30, 2020 Ending Balance
2012 Series Bonds (Wastewater Facilities & Loan Match Refunding)	$ 4,320,000		(235,000)	$ 4,085,000
2017 (A) Pier Rehabilitation Project Bonds (Lease Revenue Bonds)	7,280,000	-	(135,000)	7,145,000
2017 (B) CREBS Bonds (Lease Revenue Bonds)	3,939,843		(137,307)	3,802,536
SRF Loan (New Wastewater Treatment Plant)	3,973,155		(537,623)	3,435,531
SRF Loan (Park/Cypress Interceptor Project)	82,337		(13,087)	69,250
SRF Loan (Pismo Oaks Lift Station Project)	380,339		(35,049)	345,290
SRF Loan (Five Cities Lift Station Project)	984,070	576,007	-	1,560,077
Comp. Absences (Employee Leave Balances)	558,232	120,810	-	679,042
Total	$ 21,517,976	$ 696,817	$ (1,093,067)	$ 21,121,727

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APPENDICES

Acronyms

Acronym	Description
ACA	Affordable Care Act
ADA	Americans with Disabilities Act
APCD	Air Pollution Control District
ARC	Other Post Employment Benefit Annual Retired Contributions
CAFR	Comprehensive Annual Financial Report
CALEA	Commission on Accreditation for Law Enforcement Agencies
CALFEMA	California Federal Emergency Management Agency
CAL FIRE	California Department of Forestry and Fire Protection
CalPERS	California Public Employees' Retirement System
CASp	Certified Access Specialist Program
CCC	California Coastal Commission
CIP	Capital Improvement Program
CJPIA	California Joint Powers Insurance Authority
COPS	Community Oriented Policing Services
CPI	Consumer Price Index
CRM	Customer Relationship Management
CSMFO	California Society of Municipal Finance Officers
CVB	Conference and Visitors Bureau
EDU	Equivalent Dwelling Unit
FAM	Familiarization trip
FTE	Full-time Equivalent Position
FY	Fiscal Year
GAAP	Generally Accepted Accounting Principles
GASB	Governmental Accounting Standards Board
GDP	Gross Domestic Product
GF	General Fund
GFOA	Government Finance Officers Association
IT	Information Technology

LAFCO	Local Agency Formation Committee
LBID	Lodging Business Improvement District
MFR	Multi-Family Residential
MOU	Memorandum of Understanding
NFPA	National Fire Protection Agency
OPEB	Other Post Employment Benefits
PB	Pismo Beach
PD	Police Department
PEG	Public Educational and Governmental
PEPRA	Public Employees' Pension Reform Act of 2013
PERS	Public Employees Retirement System
PFA	Public Financing Authority
PFC	Public Facilities Corporation
PIO	Public Information Officer
POA	Police Officers Association
RDA	Redevelopment Agency
RevPAR	Hotel Revenue Per Available Room
SCAT	South County Area Transit
SEIU	Service Employees International Union, Local 620
SFR	Single Family Residential
SLO	San Luis Obispo
SLOCOG	San Luis Obispo County Council of Governments
SLORTA	San Luis Obispo Regional Transit Authority
SRF	State Revolving Fund
SWMP	Storm Water Management Plan
TED	Tourism & Events Department
TOT	Transient Occupancy Tax
TMD	Tourism Marketing District
VFD	Variable Frequency Drive

Glossary

Abatement: A reduction or elimination of a real or personal property tax, motor vehicle excise, a fee, charge, or special assessment imposed by a governmental unit. Granted only on application of the person seeking the abatement and only by the committing governmental unit.

Account: A subdivision within a fund for the purpose of classifying transactions.

Account number: A numeric identification of the account, typically, a unique number or series of numbers. The City of Pismo Beach's number structure is comprised of 6 fields of characters. The first field is 4 characters long and identifies the various unique FUNDS within the account system. The next three fields identify the Departments (2 characters), Divisions (3 characters), and Activities (4 characters) within the City. The fifth field contains 5 characters and identifies the OBJECT CODE of the account number. The final field contains six (6) characters and identifies the PROJECT or if there is no project. The combination of the six fields makes up the account number.

Accounting System: The total structure of records and procedures that identify record, classify, and report information on the financial position and operations of a governmental unit or any of its funds, account groups, and organizational components.

Accrual basis or accrual method: Accounting method whereby income and expense items are recognized as they are earned or incurred, even though they may not have been received or actually paid in cash. The alternative is Cash Basis. The City of Pismo Beach uses the widely recognized method of Modified Accrual Basis of accounting.

Accrued Interest: The amount of interest that has accumulated on the debt since the date of the last interest payment, and on the sale of a bond, the amount accrued up to but not including the date of delivery (settlement date). (See Interest)

Actual: The recorded expenditure for a specific account number. The *actual* columns, referenced in this document, report the expenditures as audited by an independent auditor.

Adopted Budget: A budget which typically has been reviewed by the public and adopted (approved) by the City Council prior to the start of the fiscal year. The Adopted Budget is the legal authority to expend money for specified purposes in the fiscal year time period.

Amortization: The gradual repayment of an obligation over time and in accordance with a predetermined payment schedule.

Appropriate: Set apart for, or assign to, a particular purpose or use.

Appropriate expenditure: A budget amount set-aside for a specific acquisition or purpose.

Appropriation: An authorization by the City Council to make expenditures and to incur obligation for specific amounts and purposes. For most local governments, the Adopted Budget document is the source for all or most appropriations. All annual appropriations lapse at the end of the fiscal year.

Arbitrage: As applied to municipal debt, the investment of tax-exempt bonds or note proceeds in higher yielding, taxable securities. Section 103 of the Internal Revenue Service (IRS) Code restricts this practice and requires (beyond certain limits) that earnings be rebated (paid) to the IRS.

Assessed Valuation: A value assigned to real estate or other property by a government as the basis for levying taxes.

Assessments: Charges made to parties for actual services or benefits received.

Audit: An examination of a community's financial systems, procedures, and data by a certified public accountant (independent auditor), and a report on the fairness of financial statements and on local compliance with statutes and regulations. The audit serves as a valuable management tool in evaluating the fiscal performance of a community.

Audit Report: Prepared by an independent auditor, an audit report includes: (a) a statement of the scope of the audit; (b) explanatory comments as to application of auditing procedures; (c) findings and opinions. It is almost always accompanied by a management letter which contains supplementary comments and recommendations.

Authority: A governmental or public agency created to perform a single function or a restricted group of related activities.

Authorized positions: Employee positions, which are authorized in the Adopted Budget, to be filled during the year.

Available Funds: Balances in the various fund types that represent non-recurring revenue sources. As a matter of sound practice, they are frequently appropriated to meet unforeseen expenses, for capital expenditures or other one-time costs.

Available Fund Balance: Funds remaining from prior years that are available for appropriation and expenditure in the current year.

Balance Sheet: A statement that discloses the assets, liabilities, reserves and equities of a fund or governmental unit at a specified date.

Base budget: Cost of continuing the existing levels of service in the current budget year.

Betterments (Special Assessments): Whenever a specific area of a community receives benefit from a public improvement (e.g., water, sewer, sidewalk, etc.), special property taxes may be assessed to reimburse the governmental entity for all or part of the costs it incurred. Each parcel receiving benefit from the improvement is assessed for its proportionate share of the cost of such improvements. The proportionate share may be paid in full or the property owner may request that the assessors apportion the betterment over 20 years. Over the life of the betterment, one year's apportionment along with one year's committed interest computed from October 1 to October 1 is added to the tax bill until the betterment has been paid.

Bond: A means to raise money through the issuance of debt. A bond issuer/borrower promises in writing to repay a specified sum of money, alternately referred to as face value, par value or bond principal, to the buyer of the bond on a specified future date (maturity date), together with periodic interest at a specified rate. The term of a bond is always greater than one year. (See Note)

Bond and Interest Record: (Bond Register) – The permanent and complete record maintained by a treasurer for each bond issue. It shows the amount of interest and principal coming due each date and all other pertinent information concerning the bond issue.

Bonds Authorized and Unissued: Balance of a bond authorization not yet sold. Upon completion or abandonment of a project, any remaining balance of authorized and unissued bonds may not be used for other purposes, but must be rescinded by the community's legislative body to be removed from community's books.

Bond Issue: Generally, the sale of a certain number of bonds at one time by a governmental unit.

Bond Rating (Municipal): A credit rating assigned to a municipality to help investors assess the future ability, legal obligation, and willingness of the municipality (bond issuer) to make timely debt service payments. Stated otherwise, a rating helps prospective investors determine the level of risk associated with a given fixed-income investment. Rating agencies, such as Moody's and Standard and Poors, use rating systems, which designate a letter or a combination of letters and numerals where AAA is the highest rating and C1 is a very low rating.

Budget: A plan for allocating resources to support particular services, purposes and functions over a specified period of time. (See Performance Budget, Program Budget)

Budget amendments / revisions: The City Council has the sole responsibility for adopting the City's budget, and may amend or supplement the budget at any time after adoption by majority vote. The City Manager and Administrative Services Director have joint authority to approve line item budgetary transfers between expenditure objects of the budget, as long as transfers occur in the same fund and within the same division.

Budgetary basis: The basis of accounting used to estimate financing sources and uses in the budget. The budgetary basis generally takes one of three forms: GAAP, cash, or modified accrual.

Budget message: The opening section of the budget that provides the City Council and the public with a general summary of the most important aspects of the budget and changes from previous years, and presents recommendations made by the City Manager.

Budget year: The fiscal year for which the budget is being considered.

Budgetary unit: An organizational component budgeted separately, usually a department or a division.

Capital Assets: All real and tangible property used in the operation of government, which is not easily converted into cash, and has an initial useful live extending beyond a single financial reporting period. Capital assets include land and land improvements; infrastructure such as roads, bridges, water and sewer lines; easements; buildings and building improvements; vehicles, machinery and equipment. Communities typically define capital assets in terms of a minimum useful life and a minimum initial cost. (See Fixed Assets)

Capital Budget: An appropriation or spending plan that uses borrowing or direct outlay for capital or fixed asset improvements. Among other information, a capital budget should identify the method of financing each recommended expenditure, i.e., tax levy or rates, and identify those items that were not recommended. (See Capital Assets, Fixed Assets)

Capital expenditures: An acquisition or improvement (as distinguished from a repair) that will have a life of more than one year.

Capital improvement budget: Financial plans or authorized expenditures for tangible, long-term construction of, or improvement to, physical public facilities.

Capital Improvement Program or Plan (CIP): A long-term plan for multi-year projects such as street or park improvements, building construction, and various kinds of major facility maintenance. The projects set out in the plan usually require funding beyond the one-year period of the annual budget and the plan details funding sources and expenditure amounts.

Capitalization policy: The criteria used by a government to determine which outlays should be reported as fixed assets.

Capital outlay: Expenditures that result in the acquisition of, or addition to, fixed assets. A capital item is tangible, durable, and non-consumable, costs $5,000 or more, and has a useful life of more than one year.

Carryover: Process of carrying a budgeted and encumbered item from the current fiscal year to the next fiscal year. For example, a purchase order for a budgeted computer purchase is placed in FY 2021. However due to backlog at the computer factory, the computer is shipped in the 2022 Fiscal Year. The budget for FY 2022 did not include a purchase of a computer. The unspent FY 2021 budget for this item is carried over to the next fiscal year and the FY 2022 budget is adjusted (increased) for this purchase.

Cash: Currency, coin, checks, postal and express money orders and bankers' drafts on hand or on deposit with an official or agent designated as custodian of cash and bank deposits.

Cash basis: A basis of accounting in which transactions are recognized only when cash is increased or decreased.

Cash Management: The process of monitoring the ebb and flow of money in an out of municipal accounts to ensure cash availability to pay bills and to facilitate decisions on the need for short- term borrowing and investment of idle cash.

Certificate of Deposit (CD): A bank deposit evidenced by a negotiable or non-negotiable instrument, which provides on its face that the amount of such deposit plus a specified interest payable to a bearer or to any specified person on a certain specified date, at the expiration of a certain specified time, or upon notice in writing.

Classification of Real Property: Assessors are required to classify all real property according to use into one of four classes: residential, open space, commercial, and industrial. Having classified its real properties, local officials are permitted to determine locally, within limitations established by statute and the Commissioner of Revenue, what percentage of the tax burden is to be borne by each class of real property and by personal property owners.

Collective Bargaining: The process of negotiating workers' wages, hours, benefits, working conditions, etc., between an employer and some or all of its employees, who are represented by a recognized labor union. regarding wages, hours and working conditions.

Consumer Price Index: The statistical measure of changes, if any, in the overall price level of consumer goods and services. The index is often called the "cost-of-living index." Measure of change in consumer prices as determined by a monthly survey of the U.S. Bureau of Labor Statistics. Many pension and employment contracts are tied to changes in consumer prices as protection against inflation and reduced purchasing power. Among the CPI components are the costs of housing, transportation, and electricity. Also known as the Cost-of-Living Index.

Contingency: A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

Contract services: Services rendered to a government by private firms, individuals, or other governmental agencies. Examples include maintenance agreements, professional contracts, and tree trimming agreements.

Cost-Benefit Analysis: A decision-making tool that allows a comparison of options based on the level of benefit derived and the cost to achieve the benefit from different alternatives.

Debt Burden: The amount of debt carried by an issuer usually expressed as a measure of value (i.e., debt as a percentage of assessed value, debt per capita, etc.). Sometimes debt burden refers to debt service costs as a percentage of the total annual budget.

Debt Service: The repayment cost, usually stated in annual terms and based on an amortization schedule, of the principal and interest on any particular bond issue.

Deficit: The excess of an entity's liabilities over its assets, or the excess of expenditures or expenses over revenues during a single accounting period.

Department: A basic organizational unit of government that is functionally unique in its delivery of services. The components are hierarchically arranged as follows: department (such as Public Works), and division (such as Sewer Maintenance).

Depreciation: The loss in value of an asset over time due to physical changes, obsolescence, or factors outside of the asset.

Designated fund balance: A portion of unreserved fund balance designed by City policy for a specific future use.

Development-related fees: Fees and charges generated by building, development, and growth in a community. Included in development-related fees are building permits, development review fees, and zoning and subdivision fees.

Disbursement: The expenditure of monies from an account.

Division: An organizational component of a department.

Encumbrance: A reservation of funds to cover obligations arising from purchase orders, contracts, or salary commitments that are chargeable to, but not yet paid from, a specific appropriation account.

Enterprise Funds: An enterprise fund is a separate accounting and financial reporting mechanism for municipal services for which a fee is charged in exchange for goods or services. It allows a community to demonstrate to the public the portion of total costs of a service that is recovered through user charges and the portion that is subsidized by the tax levy, if any. With an enterprise fund, all costs of service delivery--direct, indirect, and capital costs—are identified. This allows the community to recover total service costs through user fees if it chooses. Enterprise accounting also enables communities to reserve the "surplus" or net assets unrestricted generated by the operation of the enterprise rather than closing it out to the general fund at year-end. Services that may be treated as enterprises include, but are not limited to, water, sewer, hospital, and airport services.

Equalized Valuations (EQVs): The determination of the full and fair cash value of all property in the community that is subject to local taxation.

Estimated Receipts: A term that typically refers to anticipated local revenues often based on the previous year's receipts and represent funding sources necessary to support a community's annual budget. (See Local Receipts)

Exemptions: A discharge, established by statute, from the obligation to pay all or a portion of a property tax. The exemption is available to particular categories of property or persons upon the timely submission and approval of an application to the assessors. Properties exempt from taxation include hospitals, schools, houses of worship, and cultural institutions. Persons who may qualify for exemptions include disabled veterans, blind individuals, surviving spouses, and seniors.

Expenditure: An outlay of money made by municipalities to provide the programs and services within their approved budget.

Fiduciary Funds: Repository of money held by a municipality in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and other funds. These include pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and agency funds.

Fiscal Year (FY): The 12-month period for recording financial transactions specified by the City of Pismo Beach as beginning July 1st and ending June 30th.

Fixed Assets: Long-lived, assets such as buildings, equipment and land obtained or controlled as a result of past transactions or circumstances.

Fixed Costs: Costs that are legally or contractually mandated such as retirement, FICA/Social Security, insurance, debt service costs or interest on loans.

Float: The difference between the bank balance for a local government's account and its book balance at the end of the day. The primary factor creating float is clearing time on checks and deposits. Delays in receiving deposit and withdrawal information also influence float.

Franchise fee: A franchise fee is charged for the privilege of using public rights-of-way and property within the City for public or private purposes. The City currently assesses franchise fees on cable television and utilities.

Full Faith and Credit: A pledge of the general taxing powers for the payment of governmental obligations. Bonds carrying such pledges are usually referred to as general obligation or full faith and credit bonds.

Full-Time Equivalent Position (FTE): Personnel position or fractions thereof based on the full-time definition of forty hours of work per week.

Fund: An accounting entity with a self-balancing set of accounts that are segregated for the purpose of carrying on identified activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations.

Fund Accounting: Organizing financial records into multiple, segregated locations for money. A fund is a distinct entity within the municipal government in which financial resources and activity (assets, liabilities, fund balances, revenues, and expenditures) are accounted for independently in accordance with specific regulations, restrictions or limitations. Examples of funds include the general fund and enterprise funds. Communities whose accounting records are organized according to the Uniform Municipal Accounting System (UMAS) use multiple funds.

GASB 34: A major pronouncement of the Governmental Accounting Standards Board that establishes new criteria on the form and content of governmental financial statements. GASB 34 requires a report on overall financial health, not just on individual funds. It requires more complete information on the cost of delivering value estimates on public infrastructure assets, such as bridges, road, sewers, etc. It also requires the presentation of a narrative statement the government's financial performance, trends and prospects for the future.

GASB 45: This is another Governmental Accounting Standards Board major pronouncement that each public entity account for and report other postemployment benefits in its accounting statements. Through actuarial analysis, municipalities must identify the true costs of the OPEB earned by employees over their estimated years of actual service.

General Fund: The fund used to account for most financial resources and activities governed by the normal appropriation process.

General Obligation Bonds: Bonds issued by a municipality for purposes allowed by statute that are backed by the full faith and credit of its taxing authority.

Governing Body: A board, committee, commission, or other executive or policymaking bodyof a municipality or school district.

Indirect Cost: Costs of a service not reflected in the operating budget of the entity providing the service. An example of an indirect cost of providing water service would be the value of time spent by non-water department employees processing water bills. A determination of these costs is necessary to analyze the total cost of service delivery. The matter of indirect costs arises most often in the context of enterprise funds.

Interest: Compensation paid or to be paid for the use of money, including amounts payable at periodic intervals or discounted at the time a loan is made. In the case of municipal bonds, interest payments accrue on a day-to-day basis, but are paid every six months.

Interest Rate: The interest payable, expressed as a percentage of the principal available for use during a specified period of time. It is always expressed in annual terms.

Investments: Securities and real estate held for the production of income in the form of interest, dividends, rentals or lease payments. The term does not include fixed assets used in governmental operations.

Line Item Budget: A budget that separates spending into categories, or greater detail, such as supplies, equipment, maintenance, or salaries, as opposed to a program budget.

Local Aid: Revenue allocated by the state or counties to municipalities and school districts.

Maturity Date: The date that the principal of a bond becomes due and payable in full.

Modified accrual basis or modified accrual method: Accounting method whereby income and expense items are recognized as they are available and measurable.

Municipal(s): (As used in the bond trade) "Municipal" refers to any state or subordinate governmental unit. "Municipals" (i.e., municipal bonds) include not only the bonds of all political subdivisions, such as cities, towns, school districts, special districts, counties but also bonds of the state and agencies of the state.

Net working capital: Net working capital is the aggregate amount of all current assets and current liabilities. It is used to measure the short-term liquidity of a business/enterprise fund.

Note: A short-term loan, typically with a maturity date of a year or less.

Objects of Expenditures: A classification of expenditures that is used for coding any department disbursement, such as "personal services," "expenses," or "capital outlay."

Official Statement: A document prepared for potential investors that contains information about a prospective bond or note issue and the issuer. The official statement is typically published with the notice of sale. It is sometimes called an offering circular or prospectus.

Operating Budget: A plan of proposed expenditures for personnel, supplies, and other expenses for the coming fiscal year.

Overlapping Debt: A community's proportionate share of the debt incurred by an overlapping government entity, such as a regional school district, regional transit authority, etc.

Performance Budget: A budget that stresses output both in terms of economy and efficiency.

Principal: The face amount of a bond, exclusive of accrued interest.

Program: A combination of activities to accomplish an end.

Program Budget: A budget that relates expenditures to the programs they fund. The emphasis of a program budget is on output.

Proprietary funds: These funds account for records of operations similar to those found in a business, such as enterprise funds and internal service funds.

Public Employees' Retirement System (PERS): The state retirement system for city and other public employees that provides its members with benefits at retirement or upon disability or death.

Purchased Services: The cost of services that are provided by a vendor.

Refunding of Debt: Transaction where one bond issue is redeemed and replaced by a new bond issue under conditions generally more favorable to the issuer.

Reserve Fund: An amount set aside annually within the budget of a town to provide a funding source for extraordinary or unforeseen expenditures.

Revaluation: The assessors of each community are responsible for developing a reasonable and realistic program to achieve the fair cash valuation of property in accordance with constitutional and statutory requirements. The nature and extent of that program will depend on the assessors' analysis and consideration of many factors, including, but not limited to, the status of the existing valuation system, the results of an in-depth sales ratio study, and the accuracy of existing property record information.

Revenue Anticipation Note (RAN): A short-term loan issued to be paid off by revenues, such as tax collections and state aid. RANs are full faith and credit obligations.

Revenue Bond: A bond payable from and secured solely by specific revenues and thereby not a full faith and credit obligation.

Revolving Fund: Allows a community to raise revenues from a specific service and use those revenues without appropriation to support the service.

Sale of Real Estate Fund: A fund established to account for the proceeds of the sale of municipal real estate other than proceeds acquired through tax title foreclosure.

Stabilization Fund: A fund designed to accumulate amounts for capital and other future spending purposes, although it may be appropriated for any lawful purpose.

Surplus Revenue: The amount by which cash, accounts receivable, and other assets exceed liabilities and reserves.

Tax Rate: The amount of property tax stated in terms of a unit of the municipal tax base; for example, $14.80 per $1,000 of assessed valuation of taxable real and personal property.

Tax Title Foreclosure: The procedure initiated by a municipality to obtain legal title to real property already in tax title and on which property taxes are overdue.

Transient Occupancy Tax (TOT): A tax collected by the operators of hotels and motels located within the city, on behalf of the City. This tax is then remitted to the City.

Trust Fund: In general, a fund for money donated or transferred to a municipality with specific instructions on its use. As custodian of trust funds, the treasurer invests and expends such funds as stipulated by trust agreements, as directed by the commissioners of trust funds or by the community's legislative body. Both principal and interest may be used if the trust is established as an expendable trust. For nonexpendable trust funds, only interest (not principal) may be expended as directed.

Unassigned fund balance: Unassigned fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

Uncollected Funds: Recently deposited checks included in an account's balance but drawn on other banks and not yet credited by the Federal Reserve Bank or local clearinghouse to the bank cashing the checks. (These funds may not be loaned or used as part of the bank's reserves and they are not available for disbursement.)

Undesignated Fund Balance: Monies in the various government funds as of the end of the fiscal year that are neither encumbered nor reserved, and are therefore available for expenditure once certified as part of free cash.

Unreserved Fund Balance (Surplus Revenue Account): The amount by which cash, accounts receivable, and other assets exceed liabilities and restricted reserves. It is akin to a "stockholders' equity" account on a corporate balance sheet. It is not, however, available for appropriation in full because a portion of the assets listed as "accounts receivable" may be taxes receivable and uncollected. (See Free Cash)

Work Plan budget items: Programs and services which departments would like to have added (in priority order) over their base budget.

Valuation (100 Percent): The legal requirement that a community's assessed value on property must reflect its market, or full and fair cash value.